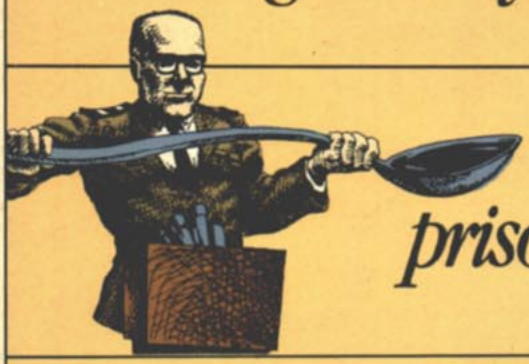
James Fallows on the latest defense books.
Nicholas Lemann on community without conformity.

The Washington Monthly

SEPTEMBER 1983/$2

Why the banks get away with it.



The Pentagon Press: prisoners of respectability.

Where the air traffic controllers went wrong.

Why Gandhi drives the Neoconservatives crazy.

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THE FIRST AMENDMENT v. UNION POLITICAL SPENDING

The First Amendment was written nearly 200 years ago to protect the right of all Americans to freely express their own opinions—and the right not to support opinions with which they disagree.

But despite the First Amendment, one group in America has the power to force men and women to financially support political causes and candidates they oppose—or lose their jobs. That group is organized labor.

Federal labor law as well as some state laws permit unions and employers to require working Americans to pay union dues as a condition of employment, regardless of whether or not they want to join or support a union. As a result, the AFL-CIO and member unions collect more than $3.5 billion per year—$10 million a day—in compulsory dues.

This massive amount of union treasury money, often called "soft money," cannot be used for direct cash contributions to candidates for federal office. But federal election law permits the use of "soft money" for a host of union activities for candidates, political parties, referendums and ideological causes.

And spend it the unions do. Political historian Theodore White called the AFL-CIO political effort in 1968 "unprecedented in American history." It included, for example, the registration of 4.6 million voters, the printing and distribution of 115 million pamphlets and leaflets, telephone banks in 638 localities, 72,225 house-to-house canvassers, and nearly 100,000 volunteers on election day.

Labor columnist Victor Riesel estimates that the cost of organized labor's unreported "in-kind" political activities in 1976 was over $100 million. Allowing for inflation and the dramatic increase in union political action, that figure could top $150 million in 1984.

In response, more and more union members are speaking out against the flagrant abuse of their First Amendment rights, looking to the nation's courts for help.

The U.S. Supreme Court has ruled that the use of compulsory union dues for political, ideological and other non-collective bargaining activities is unconstitutional, violating employees' First Amendment rights. But some courts have strayed badly in their interpretation of the legal precedents.

This fall, the National Right to Work Legal Defense Foundation will seek from the Supreme Court a strict definition of collective bargaining and a uniform remedy to protect the constitutional rights of American workers against the use of their compulsory dues for union political spending. **(Ellis/Fails v. Brotherhood of Railway, Airline and Steamship Clerks)**

The issue is clear, the abuse widespread. Rank and file workers, especially those who choose not to become union members, have little or no say as to which candidates and causes their money is used to support.

As a federal appeals court has stated, this wholesale violation of employees' First Amendment rights damages workers twice: They are forced to "contribute" to political candidates they oppose, and their ability to finance candidates they do support is thereby severely diminished.

Nearly 200 years ago, Thomas Jefferson wrote: "To compel a man to furnish contributions of money for the propagation of opinions which he disbelieves, is sinful and tyrannical."

Unhappily, such tyranny prevails in America today in the form of union political spending financed by compulsory union dues. This tyranny can only be eliminated by the combined action of an informed press, an aroused citizenry and a responsible judiciary.

If you would like further information about this fundamental abuse of the First Amendment, please write us for a copy of our pamphlet, "The First Amendment vs. Union Political Spending: A 26-Year Legal Battle for Employees' Political Freedom", and more information about the landmark case, **Ellis/Fails v. BRAC**. Or call Joanna Boyce at (703) 321-8510.

National Right to Work Legal Defense Foundation
Dept. WM
8001 Braddock Road
Springfield, VA 22160

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LETTERS

The Gstaad Nobody Knows

In your July/August issue Mr. Timothy Noah, contemplating the comparative (some would say alleged) well-being of university faculty members in the United States, identifies me as an example of exceptionally good fortune. This I would certainly not deny, but neither would I like it to be thought that this was at cost to the university with which I have been variously associated for around half a century. Many years ago, responding to one of its recurrent and not wholly plausible pleas of poverty, I invited Harvard to freeze my salary. After one or two computer errors that accorded me increases, this was accomplished at, as I recall, a level of $26,000 annually. There it remained. However, I usually taught for only half a year at that time so my effective cost was $13,000. But also in the yet more distant past, in the deeply flawed hope that it might be an example, I had begun sharing the revenue from my books with Harvard. This, over the years, more than equalled—I think substantially exceeded—my stipend. I venture the thought that any college or university in grave financial straits would have welcomed me to its faculty regardless of my expository eloquence. As to my being in Switzerland—where I am, indeed, listed by the Swiss National Library as a Swiss author—that is because I have found there the solitude and the compelling boredom with my own company that, in my case, is necessary for composition. Gstaad, a resort of the functionless and often functionally illiterate rich, with resulting amenities, I've found ideal in this respect. I would note that my residence there long antedates its emergence as a center of fashion, though I doubt that I was the attraction.

JOHN KENNETH GALBRAITH
Cambridge, Massachusetts

Good Breeding

It is gratifying indeed to see that my face and name have ascended from the back pages of the *National Enquirer* to the cover of *The Washington Monthly*. Phillip Longman's article was also amusing to this fan of ideological juxtapositions, but I was left wondering what one had to do with the other.

Could it be because, like Mr. Calhoun, I "screw. . . (my companions). . . only the higher in some sort of excitement?" It would be fun to think so, but not your style.

Perhaps it would be that I am perceived as representing the ultimate in special interests? If, after all, gay men are a special-interest group in modern American politics, we are also a fully representative microcosm of America with all its racial, religious, political, and economic special-interest groups. According to traditional wisdom, I must come from a special interest within a special interest. If you think so, you weren't paying attention to my campaign.

Without his fine historical perspective, I've come to much the same conclusion as Mr. Longman. Could that be the point of my name in the title? With my history as a civil rights, antiwar, gay liberation activist of Jewish, African, Irish, Cherokee, and Walloon descent, along with my interests as a small businessman (I am a professional astrologer), former welfare recipient, and occasional proletarian, I've come to see most of our "special interests" as having common interests which should be developing a unified front and a common program. Indeed, as I pointed out in my campaign, the truly needy and the overtaxed have much to unite on. If such a coalition can be achieved we will come dramatically closer to the American dream of universal equality and prosperity.

I am quite used to seeing my face and my name exploited to sell magazines. But unlike the *The National Enquirer*, I expected *The Washington Monthly* to make a clear and constructive point in doing so.

Love and kisses.

SISTER BOOM BOOM
San Francisco, California

Phillip Longman's thought-provoking article ("From Calhoun to Sister Boom-Boom: The Dubious Legacy of Interest Group Politics," June) offers an excellent basis for neoliberal philosophy.

That "special-interest groups will always realize greater profit by bargaining for a larger share of the existing commonweal than by joining in measures that ensure a greater commonweal for all" sums up the phenomenon of the "tragedy of the commons" without giving it the name. (It was interesting to find Richard Neely's application of the tragedy of the commons to our court system in the same issue.) Longman's suggestion that the way out of this dilemma may be a coalition of "the truly needy. . . .with the truly overtaxed" is worth trying.

I would, however, like to quibble with the leap from Calhoun to broker-style liberalism, omitting the part played in this evolution by big business. Unencumbered as I am by any acquaintance with the Calhoun revival, I find it easier to make the case that "corollary proofs in support of powerful special interests, minority rule, and government by and for the organized" applies just as readily to government by and for big business, which operated under the assumption that what was good for General Motors was good for the country long before liberal interest groups got into the act. It was surely special business interests maximizing their share

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of the pie at the expense of other interests that led to the growth of broker-style liberalism in an attempt to redress the imbalance.

ANNE M. LARSON
Great Falls, Virginia

At Least Our Rates Are Lower

As a libertarian, I found the June issue more revealing than a visit to a psychiatrist. I discovered that I lack compassion, "deride the idea of community," "would rather live amidst appalling conditions than cooperate in any collective endeavor," and am indeed "wild." Libertarianism, it seems, has become *The Monthly*'s new punching bag.

To Phillip Longman, who savages libertarians even while upholding the very classical liberalism that inspires us, I would suggest that libertarians have no lack of compassion. Rather, it is precisely because of our compassion for the poorest and least powerful members of society that we want to strip power from government. As public-choice economists and others have demonstrated (and as anyone ought to have guessed), it is always the people with wealth and power who get control of government. It is then used, among other things, to crush the poor—to keep them out of good jobs, to trap them in rotten schools and rundown housing projects, to make them dependent. Compassionate Americans should be enemies of this system of power and privilege.

As for our alleged antipathy to community and collective endeavors, I fear Mr. Longman has confused community with compulsion. Libertarians believe very strongly in all sorts of voluntary communities—family, church, neighborhood, city, or social club—and we appreciate the shared cultural values of the larger community. What we oppose is coercion—including forcing people into groups or collective actions that they would not voluntarily choose. Indeed, many of these voluntary communities (sometimes described as "mediating structures") are important in protecting the individual from the state. Society and government, as Tom Paine explained, are very different institutions, and the force of government destroys rather than builds community.

As for Thomas Hartman, who says that only "the wildest libertarians" would advocate a system in which "anyone could call himself an attorney" ["Free the Law School 120,000"], I must plead guilty. I do indeed believe that anyone should be able to call himself or herself a hairdresser, a cab driver, or a lawyer. I don't see what is wild about a system under which current practitioners of a profession could not use coercion to keep out new competitors. Mr. Hartman recognizes the inequity of the present system and would like to set up a second obstacle course as an alternative to the current one for aspiring lawyers. I say let consumers, relying on the advice of the Better Business Bureau, Consumers Union, Ralph Nader, legal referral services, and friends, choose their own lawyers.

DAVID D. BOAZ
Washington, D.C.

As one of the lawyers who was interviewed by Thomas Hartman for his article "Free the Law School 120,000!," I was disappointed to read his article. The history he reports about the development of standards for admission to the bar is interesting, and indeed suggests to me that at least one of the motivations for the origination of these standards was the self-interest of those who imposed them. The facts he reports do indeed seem to be accurate. However, the conclusion that he draws—that a legal clerkship should replace most of law school—is by no means the logical consequence of those facts.

Here in Vermont, the clerkship is a well-established route to admission to the bar. Indeed, all Vermont lawyers must undergo a period of clerkship—six months for those who have just graduated from law school and three months for those who have experience in other states. As the article notes, in Vermont a college graduate can qualify for the bar examination without going to law school at all, by clerking for four years. I can certainly attest that some individuals can become excellent lawyers by that route.

It does not necessarily follow that for the vast majority the kind of learning generally attained in law school is not a necessary prerequisite to competent lawyering. A theoretical grounding in the law is essential to competent practice. Only a few individuals are intelligent and hard working enough to attain that grounding without the law school exposure.

As for the idea that one can learn a great deal about practicing law by practicing law (which is what a clerkship is really about), I cannot argue with it. We lawyers learn about practicing law by doing it. Perhaps Vermont is wise to require clerkship as an additional prerequisite to admission to the bar. That insures that an older, steadier hand is at the helm as a fledgling lawyer takes his or her first steps. It does not mean that clerkship is an adequate substitute, for most lawyers, for a solid grounding in legal theory.

RICHARD T. CASSIDY
Burlington, Vermont

Mail Storm

Loved your article on direct-mail fund raising in the June issue ["Diminishing Returns," by Tina Rosenberg]. As you demonstrate, and from personal experience, direct mail is mostly a self-serving scam—and the precise reason I no longer subscribe to your magazine.

If I wanted my mailbox taken over by *Common Cause*, Gary Hart's presidential campaign, the National Coalition to Ban Handguns, and all the other groups you used to sic on me, I'm perfectly capable of the commitment myself. You, who regularly complain about the rain created by nonprofit mailers, of all people!

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As Rosenberg aptly put it, "Today so many solicitations are crammed into the nation's mailboxes that most letters never even get opened, much less answered." Including renewal notices from *The Washington Monthly*, you hypocrites.

W.S. WOOD
Washington, D.C.

Tennis, Anyone?

On a couple of occasions since 1981, your magazine has twitted me in print about my "insider" status as White House correspondent for *Time*. On neither of those mentions did your writer think it necessary to check his facts with me, or to give me an opportunity to comment in any way in response to his snide musings. That lapse struck me as inconsistent with *The Monthly*'s righteous preachments on sundry subjects, including sound journalistic practice, but—what the hell—thin skin isn't one of my failings.

Now, in your June issue, you publish a brief review of my new book, *Gambling with History: Reagan in the White House*. The author of that notice, Douglas Jehl, age 21 and a couple of months off the college campus, is deemed fit by an ostensibly serious publication to pass judgment on this book. Well, I guess that's your business. The trouble is, most of his short review isn't spent discussing the content of this 500-page volume. Rather, he discusses *me* and, of course, the scarlet insider's "I." His description of me and my reportorial habits is riddled with blatant errors and distortions. Of course he did not bother to check his "facts" with me, or anyone else, though that could have been done in a three-minute phone call. Examples:

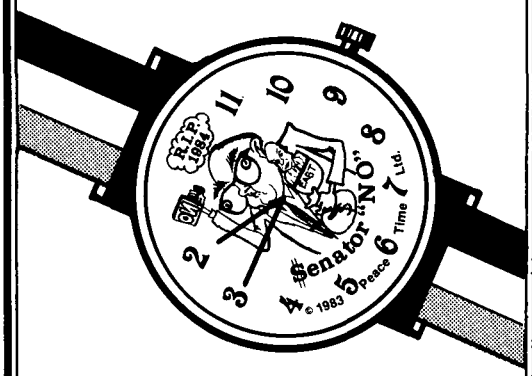
—He says that I had breakfast with Reagan and his top aides. *Wrong*. I've never had breakfast with Reagan inside or outside the White House.

—He says that James Baker and I "frequently play tennis on the White House court on Sunday afternoons." *Wrong*. I have never played tennis with Baker at the White House on any day of the week (other reporters have). In fact, I've played tennis with Baker a grand total of five times over the last 30 months, usually when the entourage is on the road. Several reporters and staff members bring their tennis gear. How terrible.

—He says that Baker and I "go off on Texas fishing trips in the summer." That sounds like a pretty regular thing, right? *Wrong*. In the summer of 1981, knowing that Baker would be the subject of a profile, I contrived to spend one weekend in the resort area where the Bakers were spending their vacation. We went fishing twice, played tennis once, and spent much time helping me fill my notebooks. So what? It is an efficient and hardly unique reportorial technique.

—He implies that Ed Meese would have come off better in the book had I spent as much time with him as I did with Baker. *Wrong*. I've known Meese longer than I've known Baker and I see Meese regularly. That Meese doesn't play tennis is something beyond my control.

The Watch Is Out On Jesse Helms



In anticipation of the Greatest Political Battle in the history of this nation, Peace Time, Ltd. is releasing this collector's edition "Senator No" timepiece. The colorful caricature of Senator Jesse Helms symbolizes his efforts to move America backwards in time and to raise huge amounts of campaign money. Senator John East, often characterized as a Helm's clone, also appears on the watch face peering from the pocket of Senator Helms. This timepiece is destined to become the most valuable political collector's item of the 1984 campaign. Developed by Peace Time, Ltd. and produced by Timex, this watch is built to withstand the rough and tumble 1984 political season. For those who wish to own a piece of history, please place your request immediately as availability is limited.

Available From PEACE TIME LTD.

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—He says—and here is the real cruncher—that I have "spent weekends with the president at Camp David." *Wrong.* In fact, during my three tours of duty in Washington, I've never spent a weekend, or an evening, at Camp David. Nor have I had a meal there. I did drink a glass of iced tea while interviewing Reagan at Camp David for 90 minutes in what was strictly a working visit.

This last point seems particularly relevant because Jehl in his penultimate paragraph asks the rhetorical question: Would Barrett still see Reagan as etc., etc. "had he not spent weekends with the president at Camp David?" Since I did *not* spend any weekends at Camp David, I guess the answer, logically, is yes. And since Jehl at no point quarrels with my conclusions—or even summarizes them adequately—I can only suppose that my offense is that I have a great deal of access. If anyone can figure out how to write a detailed, intimate account of an incumbent president *without* a lot of access, I'd be interested to learn of the technique. And I must conclude, as much in sadness as in irritation, that Jehl was led to ride yet one more time your magazine's sway-backed hobby horse rather than to consider this book on its merits.

LAURENCE I. BARRETT
Washington, D.C.

The editors reply:

Yes, we made some mistakes. Mr. Barrett does not spend weekends at Camp David, or regularly go fishing with Jim Baker (though his book's description of the fishing trip doesn't mention whether he was on the boat for business or pleasure). Nor does he play tennis with Baker *on the White House tennis courts*—those must have been other Reagan officials he was playing with when the president happened to drop by that Sunday afternoon (page 473). We'll also take Mr. Barrett's word that Reagan wasn't in attendance—though his top aides certainly were—at the White House breakfast that he describes in his book.

Laurence Barrett is a fine reporter who has written a valuable book. As our review noted, it is the most thorough account of Reagan's presidency so far and filled with revealing anecdotes. But alas, on the question of access, he seems to want to have it both ways. On one hand Mr. Barrett denies that he is too close to the Reagan White House—but then read the ad copy in *Time*'s four-color advertisement that brags about their correspondent's access. The copy describes something called Barrett's law: "Get as close as possible, as often as possible." As for tennis, he plays at the White House, and he plays with Baker—but with the latter in places like Barbados rather than on the White House courts. Does it make a difference? We don't think so, and neither, apparently, does Barrett. Asked by *The Washington Post* last year whether these tennis matches help him cover his beat, Barrett proudly replied, "Sure, there's no question about it. . . You're more likely to get a call back in time for a deadline."

The Washington Monthly

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TILTING AT WINDMILLS

The distinction between public duty and private profit has not, as we have alas learned, commended itself with crystal clarity to the members of the Reagan administration. The most recent example to come to our attention is this letter sent to various business executives by John R. Van de Water:

"With the recess appointment as Chairman of the National Labor Relations Board coming to a close, I am honored by the President's request that I continue to serve his administration as Special Assistant to the Secretary of Labor. . . . I have decided with Presidential approval to accept my new appointment on a purely consultant basis. This frees me to plan extra events in a private capacity, such as. . . law practice and public speaking. . . .You are invited to write or telephone my Washington office for available dates and additional information. "

The letter is accompanied by Van de Water's resume, printed on stationery headed:

U.S. Department of Labor
Office of the Secretary
Washington, D.C.
20210

In a world where we all recognize the need for new social organizations to meet today's pressing problems, you will be gratified to learn that The Consultants Institute has been established in Columbus, Ohio. "TCI," according to a report in *USA Today*, "is trying to bring respectability to the nation's fastest-growing profession. " To meet the consultant's need for a credential, TCI offers a program to produce "certified professional consultants. " The program, says *USA Today*, includes such essentials as "fee setting" and "overcoming competition. . . . "

I wonder how the American conservatives who are always defending South Africa reacted to the recent Reuters dispatch that told of a black child who died after being denied admission to a white South African hospital because of his race.
The doctors at the white hospital not only refused to treat the child, they also refused to have their ambulance take him to a black hospital because apartheid decrees separate ambulances for different races. . . .

A recent story by Sam Roberts in *The New York Times* describes how Hitachi gets its goods from Japan to New York: by ship to Baltimore, then by truck to New York. Why not by ship to New York? It costs more, a lot more; in the case of just one shipment, $5,000 to $10,000 more, according to the company's traffic manager. It costs more because New York longshoremen are guaranteed a minimum annual income of $29,120, whether they work or not. . . .

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Spencer Rich of *The Washington Post* reports that "the nation's medical bill rose by about an eighth last year, to $322 billion, or 10.5 percent of the gross national product, the highest such share in history. " This was about twice the rate of inflation for everything else.

The government tries to meet this problem by holding down Medicare and Medicaid costs. For instance, this year Congress enacted a prospective payment system for hospitals participating in Medicare, fixing the amount to be paid for each patient in advance. But as long as private insurers, who pay at least a fourth of the nation's health bill, do nothing to control costs, the government is likely to have little success.

There is, however, a way for the government to influence the behavior of the private insurers. They are now the beneficiaries of a $29 billion break given to private-sector employers and employees through the non-taxation of health insurance premiums. Why not make that tax break conditional on its use to pay an insurer who does take specific steps to control costs? The government makes similar demands on private pension programs—they don't get the tax break unless they conform to certain standards. Why not do the same to the health insurance industry? . . .

Speaking of health care, I have always thought that nurses know more about its effectiveness simply because they spend more time with the patients than do doctors and administrators. Therefore I was not heartened to read in "Medical Reform Newsletter" of a survey of nurses in which 42 percent indicated they were aware of a death caused by a doctor's mistake and 38 percent said they would not wish to be a patient in the place where they worked. . . .

UPI reports from Redwood City, California, another triumph of medical administration. A nurse was fired by Kaiser Hospital for lack of an "acceptable reason for absence. " She just happened to be in the hospital—yes, the same hospital, as a heart-surgery patient. . . .

In July the White House announced the formation of a commission dedicated to eliminating organized crime. In the same month Ronald Reagan traveled to Hollywood, Florida, to speak before the International Longshoremen's convention and praise its president, Thomas Gleason, for his "integrity and loyalty." Gleason has proved his integrity by not firing six of his union leaders who have been convicted of extortion, racketeering, and other crimes. And do you remember Reagan's warm praise for Roy Williams, the convicted Teamsters leader? . . .

I bet some of you didn't believe me when I said there are New York longshoremen who get $29,120 a year for doing nothing. Here's an example. Charles Garbelotto has not worked a single day on the docks for almost eight years. Yet he gets his $29,120. All he has to do is go to the hiring hall, find out what jobs are available that day, and decide whether to accept one or not. Mr. Garbelotto always decides to decline. "I go home and mow my lawn," he told *The New York Times*. "Why should I work if I'm going to get the same pay?"

Mr. Garbelotto's take as union member is modest indeed, compared to that of some union officials. Jackie Presser of the Teamsters gets over $500,000; his vice president, Harold Freidman, $480,000.

But Presser and Freidman are pikers compared to our corporate managers. Take David Mahoney of Norton Simon, where earnings have been weak during most of his 14-year tenure. Mahoney received $1.8 million in total compensation last year as his company's profits plunged 33 percent. And, while we've all heard about William Agee's golden parachute, did you realize that in 1981 he got a total of $1,779,064 in compensation from the Bendix Corporation? . . .

The trouble with farm programs like PIK, as we are learning once again, is their inflationary potential. Taking land out of production creates a situation in which, if a drought or other natural disaster occurs, crop shortages develop causing prices to rise. If we must give government aid to the agriculture community, isn't it better to buy up non-inflationary surpluses rather than to create inflationary shortages?

Coming up with ways to take land out of production

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has been a continuing source of inspiration to the Washington bureaucrat. My favorite was the Farmer's Home Administration low-interest loan program to turn farm land into golf courses. Between 1963 and 1971, according to Don Muhm of the *Des Moines Register*, in Iowa alone 47 new golf courses replaced corn fields. . . .

Here is a decision that you can bet the collective genius of the Washington Bar will be dedicated to reversing. The District of Columbia Court of Appeals has ruled that Washington lawyers in private practice who formerly worked for the government may not practice law in areas "substantially related" to their government work. Most of the legal economy of the city is based on just such practice. . . .

When you read my account last month of the congressmen at the Paris Air Show, you may have wondered how the companies involved could justify the lavish expenditures for entertainment. A friend of mine who attended the show a couple of years ago asked one of the lobbyists involved just that question. The reply: "I've already gotten my money's worth. I flew over on the same plane with the chairman of the House Transportation Committee. Ordinarily I get maybe 20 minutes a year with him. On the plane I had an hour all to myself." . . .

In the early 1970s, an engineer named Al Ellis and the U.S. Defense Department came up with the same idea: a tiny, remotely piloted airplane could be used to trick enemy radar Ellis took his idea to a private Israeli electronics firm, according to Ehud Yonay and Peter Graumann, who tell the story in the July issue of *California* magazine. His drone was completed at a cost of half a million dollars and was used to fool Soviet radar and wipe out Syria's SAM missiles in the decisive battle of last year's war in Lebanon.

The U.S. Army's drone program, now in its seventh year, has cost $500 million and has yet to field its first production model. . . .

Common Cause has revealed that the Defense Department, "with 28 times as many military and civilian employees and a budget seven times as large," is slated to have an inspector general's budget that is just a shade larger than that of the Agriculture Department's —$46.4 million compared to Agriculture's $44.6 million.

Of equal—or perhaps even more—significance is another revelation by Common Cause: the Office of Management and Budget has fewer examiners working on the swollen Reagan defense budget than it did on Carter's. . . .

I must confess that while I had never looked down on the good people of Idaho, I had never found occasion to single them out for praise. Now, however, I find the state a lone island of common sense in a nation that otherwise lacks the wit to challenge the dictatorship of the Federal Reserve. The Idaho legislature has called for the repeal of the Federal Reserve Act, placing the power to regulate interest rates back in Congress, where it belongs. . . .

A factor that increasingly limits the ability of local governments to repair their streets and provide other needed services is the increasing amount of their annual budgets devoted to the payment of pensions to retired employees. By 1992 it is estimated that Los Angeles will be paying as much to its retirees as it does to its active employees. This obligation is especially onerous in the case of policemen and firemen, many of whom are permitted to retire after 20 years and even earlier, and often with increased compensation, in the event of disability. There is reason to suspect that a good many of these disability claims are either phony or exaggerated with the aid of sympathetic physicians and departmental superiors who, after all, don't have to pay the retirement bill themselves.

California's Supreme Court recently struck an important blow at such retirement practices by ruling that cities may revoke an employee's disability retirement and order him back to work at a job he is able to do. In a case described by Philip Hager and Michael Seiler of *The Los Angeles Times*, the city of Pasadena had recalled to desk duty a disability retiree named Donald Winslow, who since his "retirement" had been earning about $24,000 annually from various jobs in the private sector, including security work, for which he rode a motorcycle to and from work. . . .

Last November in these pages, Phillip Longman pointed out that the elderly are no longer the deprived

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group they once were, and that, as a matter of fact, as a group, they were now better off than the rest of us. Additional evidence to support Longman's thesis is suggested by what the Congressional Budget Office has found out about the extra $1,000 exemption for which those over 65 are eligible. It seems that of all the tax returns filed in 1980 with an adjusted gross income of more than $1 million, more than one-third claimed the $1,000 exemption. Why are we wasting this exemption, obviously designed with the picture of pathetically needy old folks in mind, on millionaires? . . .

If you don't share our concern about the growth of snobbery in America, consider that three of the ten most popular names for newborns in New York are Nicole, Danielle, and Tiffany. Mary, Ann, and Jane didn't make the list at all. . . .

Until Fred Hiatt of *The Washington Post* found out about it, Caspar Weinberger and William Clark were planning to attend the annual gathering of the Bohemian Club, a group of industrial and political leaders that convenes in a sylvan setting at the 2,700-acre Bohemian Grove in northern California. That's where the nation's male elite like to drink a lot and urinate on trees. What's wrong with that? Each to his own taste, you say. Well, the catch was that the boys were going to get the government to fly them out to California on the pretext that they would pay a "morale-boosting" visit to the Naval Supply Center in Oakland. . . .

When we hear stories about businessmen attacking the Food and Drug Administration, they're almost always inspired by the FDA's alleged slowness in approving some new product that the companies want to rush to the market. Now, *The Washington Post*'s Mark Potts reports, the usual roles are reversed and industry is begging the FDA to slow down and reconsider its decision to approve the use of aspartame as a low-calorie sweetener in diet soft drinks. Why such uncharacteristic behavior on the part of our business leaders? "The two industry giants, Coca-Cola Company and Pepsico Inc.," writes Potts, "are said to be afraid that rival Seven-Up will use the new sweetener to extend its successful no-artificial-ingredients, no-caffeine campaign before they are ready to compete in the next marketing sweepstakes. ". . .

One of the more favored perks these days is the low-interest home loan. For example, according to *Industry Week*, a $200,000 loan at 7 percent was given to its president by Dart & Kraft Inc. The University of California has done even better by its president, giving him $295,000 at 6.11 percent, plus a temporary, interest-free

(continued on page 60)

WHERESOEVER manners & fashions are corrupted, Language is. It imitates the publicke riot. The excesse of feasts and apparell are the notes of a sick State, and the wantonnesse of Language, of a sick Mind.

A passing thought of Ben Jonson, reproclaimed and set forth as a questionable public service by:

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MONEY OVER WHAT REALLY MATTERED:

Where The Air Traffic Controllers Went Wrong:

by Phil Keisling

Photo courtesy of the FAA

It's been two years since 11,400 air traffic controllers committed occupational suicide, and looking back, the miscalculations of the Professional Air Traffic Controllers Organization assume stupefying proportions. PATCO's three major demands were anything but modest: a $10,000 across-the-board raise for all controllers, a 32-hour work week, and retirement after 20 years at 75 percent of one's top pay. The strike was unambiguously illegal. PATCO called the walkout in August, at a time of good weather (which makes controlling easier) and declining air traffic due to the recession. The public was in an unsympathetic mood when it came to labor disputes; among other things, it had just endured a long baseball strike.

Worst of all, the strike was a reckless gamble with the public's safety. Consider for a moment the likely public reaction if some 19-year-old controller on loan from the Air Force had accidentally run two 747s together over Lake Michigan. Would angry citizens have demanded that the government recall the striking controllers, as PATCO apparently thought? Far more likely, they would have formed vigilante squads to conduct a door-to-door search for PATCO President Robert Poli.

The controllers' bizarre behavior, not surprisingly, has given rise to some colorful theories. Responding to a question about Poli, one official of the Federal Aviation Administration broke into a bemused smile: "Ah, you mean the Reverend Jim Jones of the American labor movement. " The "Guyana theory " seems very popular, and not just at the FAA, to judge by the number of times one hears references to "drinking the Kool-Aid. "

The controllers' seemingly irrational behavior, however, is exactly why this story is worth a second look. Ponder it for a moment. Here were 11,400 men and women, most of them without college degrees, working for the only employer (outside of the military) who had any use for their skills. At the age of 35 they were making an average of almost $40,000 a year. With overtime and differential pay for weekends and night shifts, some made almost $60,000. They already had one of the best retirement systems in the country: half pay at age 50 with just 20 years' service, or at any age with 25 years' service. Of those who went on strike, 60 would have been eligible for retirement within the next five months. "At 31 I'd achieved everything I ever wanted—a four-bedroom house in the suburbs, two new cars, a beautiful wife and kids, " recalls fired controller Greg Runge, now studying in North Dakota for a college degree. And he poses the question that still is hard to answer two years later. "Why did I want to throw it all away?"

It's a question that conversations with former controllers inevitably come around to. Bill Taylor is a 40-year-old former controller and one of the

Phil Keisling is an editor of The Washington Monthly.

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leaders of the walk out; he carries the dubious distinction of being the first American convicted of a felony for striking against the federal government. Taylor recalls people and events from his 15 years as a controller—the colleagues who suffered nervous breakdowns and strokes, the tie-grabbing arguments with FAA supervisors, the weekly pilgrimages of a former controller he knows who journeys to La Guardia to hand out old PATCO circulars to startled pilots and watch the planes come and go. "You get right down to it, " says Taylor, wrestling with the inevitable question, "and the essence of it all is that these guys *loved their jobs*. They hated the system, but they loved their jobs. "

Risking one's professional life in order to save it. It's an explanation that doesn't excuse the strike, but it does seem close to the truth. Nothing strikes an outsider more in conversations with former controllers than their deep affection for the task that their leaders insistently portrayed as dangerous and debilitating. "It was a great job, " recalls Paul Schaiger, a former controller who now raises hogs in the Midwest. "The most satisfying times were when it got busy as hell and you had a lot of nerdy pilots out there, and you brought them in anyway. " Sid Rhinehart, now a part-time restaurant manager in Minneapolis, says, "I loved it, especially when it got busy and you knew you had to resolve a problem or a lot of people were going to get killed. I loved the authority. "

But why the controllers struck is only half the mystery. The other half, which has been largely overlooked in the coverage since the walkout, is in many respects more important. Why did the controllers lose this fight, when on the things that really mattered—to them and the flying public—they were really right after all.

No, not right about the illegal strike, nor right about the across-the-board contract demands. What the controllers were right about was that the FAA was a terrible boss.

The FAA's attitude towards its employees manifests itself in several ways—in the photographs, taken shortly after the strike, of controllers being led away in handcuffs, as if they were violent criminals, and in the agency's stubborn insistence to this day that no fired controllers should be rehired, even though the teaching of the lesson long ago became gratuitous. It's an attitude characterized as "Kick ass and take names, " by David Bowers, head of the Institute of Social Research at the University of Michigan. "The whole atmosphere was paramilitary, but of a kind that even the military these days knows doesn't work, " he adds. "It was a caricature right out of the movies. "

Bowers speaks from an intimate acquaintance with the system. In October 1981, Transportation Secretary Drew Lewis asked him and two others—Lawrence Jones, president of the Coleman Company, and Bruce Fuller of the Harvard Business School—to determine what had gone wrong. The report of the Jones Commission, released six months after the strike, was a devastating indictment of how the FAA had managed both the controllers and the entire air traffic control system. Labor-management relations were "very, very poor, " the Commission concluded. Even more disturbing was its conclusion that dissatisfaction among the 5,000 controllers who stayed on the job was nearly as great as among those who struck. "Unless the FAA wants a simple repetition of the events of 1981, " the report bluntly warned, "it will have to drastically change its management style. "

The conclusion was all the more telling, given that the FAA had already been forewarned. In 1969, the government appointed another outside panel, this one headed by John J. Corson, to study the air traffic control system. "Members of this committee, " its report concluded, "have never previously observed a situation in which there is as much mutual resentment and antagonism between management and its employees. "

In the strike's aftermath, there have, of course, been some changes. Lewis, to his credit, seemed sincerely interested in reforming the system and candid about its past problems; in an interview this spring with *The Wall Street Journal*, he talk-

Photo courtesy of the FAA

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The air traffic controllers were right about FAA mismanagement. They blew their chance for public support by demanding $10,000 raises and 32-hour weeks for everyone.

ed about the FAA's "very antiquated people practices" and the fact that his agency "had been a very bad boss." Lewis appointed nine "human relations specialists"—one for each of the FAA's regions—and told his successor, Elizabeth Dole, that solving the FAA's management problems was her most important task.

Unfortunately the lesson some officials in Washington say they've learned has yet to filter down to many of the system's 450 towers and 25 "en route centers" across the country. (Tower controllers guide traffic in and out of airports; those in en route centers ensure that planes stay properly separated as they travel between airports.) This March a confidential survey of 500 controllers and supervisors by the National Traffic Safety Board found that 44 percent rated FAA management as "poor" and 37 percent as only "fair"; almost 70 percent said morale had deteriorated noticeably in the previous six months. As Bowers observes, "Trying to change the system just by hiring a few human relations specialists is difficult, if not impossible. Frankly, I think the FAA has got to get rid of a lot of its managers. " That isn't happening; indeed, last year the FAA convinced Congress to give a special 10 percent raise as a reward for those who didn't strike—a raise that went to all the supervisors as well.

Tower Power Plays

The union that succeeds PATCO—and even FAA officials concede another union is inevitable—needs to understand the mistakes of its predecessor. Those mistakes were far more than merely tactical; they arose from some fundamental misperceptions that PATCO entertained, not just about the job of the air traffic controller, but about itself.

PATCO's most obvious error was that it should have been honest with the public—and its members—about what the job of an air traffic controller is really like.

The occupational hazards of controlling airplanes first caught the public's eye in the summer of 1968. During the previous decade, commercial air traffic had tripled; so unprepared was the FAA that its air traffic control training academy in Oklahoma City had been closed since 1964. Meanwhile, controllers at the nation's major airports were typically working six-day weeks with mandatory overtime, glued to their World War II-vintage radar screens for eight or ten hours at a stretch. A memorable *Life* magazine article of the era described JFK controller George Kelley, who was so exhausted on his one day off that he wanted only to retreat to his backyard swimming pool, where he would lie on his back and "watch all those planes circling, circling, circling. "

PATCO's first executive director, flamboyant criminal attorney and erstwhile pilot F. Lee Bailey, was adept at getting publicity for the union and the controllers' grievances. In one impassioned, rambling presentation before the Senate Post Office and Civil Service Committee in 1969 Bailey described controllers as "old men at 35" and noted that controlling traffic was a "unique job" that "only the top 10 percent of the male population is even capable of doing. " (This latter presumption remains strong today; 94 percent of the controllers are men.) If things didn't improve, Bailey warned, "No one will be left to do the job. " Congress took its time, but ultimately gave the controllers almost everything they asked for. Between 1969 and 1972 the FAA hired 10,000 new controllers and, at Congress's behest, instituted an early retirement plan that only the military could beat.

Controlling air traffic certainly was a difficult, and sometimes fatal, way to make a living. The long hours and pressure took a grim toll: men in their 30s suffered heart attacks, hypertension, and ulcers—all aggravated by the controller's tendency (still true today) to drink and smoke more than the average population. Controllers were extremely conscious of "burning out, " being so overwhelmed by the accumulation of past errors and the inevitable slowing of reflexes that they suddenly found they could no longer cope with the demands of the job.

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Still, to read the testimony of Bailey and other PATCO officials today, one is struck by the broad-brush picture that was painted of the controller's lot—and how readily it was accepted by the public and members of Congress. "Burn-out" was inevitable. The stress was unrelenting and inescapable. Even the FAA, perhaps because it sensed Congress's willingness to send some more money its way, preferred the generalized picture. When Senator Hiram Fong asked administrator John Shaffer in a 1972 hearing whether an early retirement plan should try to distinguish between controllers who were working at busy facilities like JFK and controllers at low-volume towers, Shaffer demurred: "I do not think we can try to make distinctions between towers or center duty, or one duty station or the next. "

It was as if those differences didn't exist, though the FAA certainly knew better. The agency divides its 450 towers into five categories according to traffic volume. At a Level I tower, controllers primarily handle "general aviation," or small private planes. Controllers at these small, generally rural towers are paid at the GS-10 level ($22,307 to $29,003). The system's busiest towers, such as O'Hare and JFK, are ranked at Level V; there, controllers are paid at the GS-14 level ($41,277 to $53,661). Controllers at the system's 25 en route centers, which employed almost half the controllers before the strike, are classified at the GS-13 or GS-14 level. Reaching the top grade usually takes less than two years at a Level I tower and less than six years at a Level V tower. Even before the strike, the controllers' rapid rise through the ranks—they begin as GS-7s following a 14- to 17-week training course at the FAA's air traffic control academy—was nearly unprecedented in the federal civil service.

In general, the lower the GS level, the lighter the traffic—and the lighter the stress. "We used to fight over who'd get the next plane, " recalls one controller who worked at a Level I tower. A few outsiders who became familiar with the system also understood this. James Mitchell, a member of the Corson Commission, recalls today his most striking memory as being "the dramatic difference in the atmosphere when we visited a tower like O'Hare compared to the one in Charlotte, North Carolina. "

John Leyden, president of PATCO from 1972 until 1980, when he was ousted by Poli in a coup d'etat, attributes some of the internal division in the union during his reign to a growing resentment among small-tower controllers who felt their pay should be much closer to that of their large-tower counterparts. Leyden, who worked for more than a decade in the system's busiest en route center, didn't buy the argument. "I'd travel a lot and I'd tell guys, 'Look, if you think it's the same, then bid for Chicago. There are slots open and I'll see that you're there in two weeks. ' Only a couple took me up on it, and they came back. "

Even at the busiest facilities, the work was hardly the constant, grueling ordeal it was portrayed to be. In addition to adding new controllers in the early 1970s, the FAA instituted a policy—in the name of safety—of staffing facilities at 90 percent of their peak load, regardless of the actual amount of traffic. The result was a lot of controllers sitting around with little to do because traffic varies widely during the day at the nation's busiest airports. East Coast airports, for example, are busiest in the early morning and early evening hours; Denver, a major hub of transcontinental traffic, has its busiest periods in the early afternoon. In 1981 the GAO examined four of the nation's busiest facilities—the towers and en route centers in Chicago and Denver—and found that the typical controller spent only 40 to 50 percent of his time actually controlling aircraft. The rest of the time he waited for the peaks. Some controllers came to work and never plugged in their headsets. "These guys were called 'no-hitters,' " recalls an investigator for the National Traffic Safety Board, which conducted a comprehensive study of the system right after the 1981 strike. "They'd come in, go down to the cafeteria, and watch television. "

Of course, along with the moments of boredom came many moments of "going down the tubes, " the expression controllers give for having more aircraft on the radar screen than they feel can be handled safely. But gone were the six-day weeks and the eight-hour stretches. Gone, too, was the relatively unsophisticated equipment that had once made the controller's job doubly difficult.

In the late 1960s, controllers at even the busiest facilities still relied on sweep radar screens, where planes appeared as indistinct blobs of light. Information about a plane's speed and altitude were recorded periodically on cardboard markers called "shrimp boats, " which were tracked by hand across the screen. Controllers frequently had to memorize the positions of a dozen planes at a time and make instantaneous calculations to keep them properly separated.

Sweep radar has now been replaced by radar screens that show each plane distinctly and con-

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tinuously. Computers instantaneously display a plane's identifying number, altitude, and airspeed on the screens. Flashing lights usually alert the controller before a possible "violation of minimum separation, " which occurs whenever planes come within five miles and 1,000 vertical feet of each other.

"The technology changed the job dramatically," Leyden now says, adding, "In private conversations, controllers might acknowledge this. But they wouldn't in public. In part, you had such a young work force that the norm became what they had been exposed to. But it was also a little dishonest."

PATCO was also a little dishonest about what the job was really doing to its members. For all the anecdotal evidence about the effects of stress—and every former controller seems to have first-hand stories of colleagues who suffered nervous breakdowns, ulcers, and even strokes—the medical proof of the job's hazards is conspicuously elusive. The most comprehensive study of the occupation, conducted by Dr. Robert Rose of Boston University in 1978, found that controllers are more prone to hypertension but the study could find no direct link to the job. Rose also found that controllers, who are required to pass yearly physical examinations, are generally healthier than people of the same age in the rest of the population.

PATCO's argument that 89 percent of controllers never survived until normal retirement was also misleading. What the union didn't mention were the tremendous incentives for controllers to leave as "disabled. " For example, if a controller could demonstrate a job-related disability, under the government's worker compensation program he was eligible for 75 percent of his former salary—*tax free and indexed to inflation.* After 1974, controllers making disability claims could select their own doctors; at one point the Department of Labor was approving 80 percent of all claims and controllers were leaving the system at the rate of 500 a year. Most claims were for "psychiatric/psychological" ailments. Widespread abuse by controllers and other federal employees finally prompted Congress to reform the program; this year the FAA estimates only 23 controllers will retire with a job-related disability.

So an accurate picture of the controllers' predicament would contain all the elements PATCO described—but in much different proportions. The job did cause nervous breakdowns, nightmares, hypertension, and burn out in some controllers. "But the truth is, " says Dave Hardle, executive director of the Air Traffic Controllers Association and a strong supporter of early retirement legislation a decade ago, "we oversold the profession. Now it's coming back to haunt us. "

Going with the Flow

The public was justifiably skeptical of PATCO's major demands. The $10,000 raise was for everyone, whether they worked in a busy tower or not; besides, how would more money do anything to relieve stress? The shorter week and earlier retirement likewise made no distinctions between the ambitious, driven controller who plunged into O'Hare right out of the academy and the one who settled for a much quieter career at the Level I tower in Alton, Illinois.

Leyden, who believes the strike was folly, observes, "Among labor circles, the contract demands were a standing joke. I told one controller, an old friend who already had two houses and a nice boat, 'You realize you're going to go to Congress and ask them to give you more than they're making?' He said, 'That's right. We'll force them to. ' I said, 'I just can't reason with you any more. ' "

Perhaps even more important, the union ignored some basic reforms in the air traffic control system that truly would have benefited its members while helping win the public to their side. The most obvious involved the variability of traffic in the system. The Jones Commission had discovered that the FAA's policy of tolerating dramatic "peaks and valleys" in daily operations at the nation's large airports was grossly inefficient. After the strike forced the FAA to spread out this traffic, it was able to handle 83 percent of the former volume with less than half the controllers. Such "flow control" also reduced the number of errors by 30 percent.

Before the strike, PATCO was on record as favoring "flow control, " a suggestion the FAA never considered seriously because of the airlines' animosity to any plan aimed at restricting their ability to fly whenever they wanted to. But in contract negotiations, PATCO failed to make flow control a major bargaining issue despite its obvious potential in enlisting public support. Here was a problem that aggravated the stress controllers felt; as any assembly line worker knows, moments of frantic activity followed by long lulls may make the job more interesting, but they also make it much more stressful than a steady, moderate flow. By reducing the need for con-

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For almost 15 years *The Washington Monthly* has been challenging the doctrines of both the right and the left, putting together a view of the world that we find fresher, more pragmatic, but also more idealistic. During that same period, others have been gravitating toward a similar view, which has come to be called "neoliberalism."

We think it's time to assemble the faithful as well as the skeptical to share ideas, to argue, and to get to know one another. Toward that end, *The Washington Monthly* will hold a conference the weekend of October 22 to discuss the nature of neoliberalism and its future. The subjects covered will include economic growth, entitlement programs, national security, education, and a number of matters conventional liberals tend to avoid—patriotism, entrepreneurship, religion, credentialism, patronage and democratic accountability, and how to pull the plug on the politics of selfishness.

Participants include Mancur Olson, Ken Auletta, Robert Reich, William Greider, Senator Gary Hart, Michael Kinsley, Kathleen Kennedy Townsend, James Fallows, Dr. Robert N. Butler, Senator Ernest Hollings, Nicholas Lemann, Alice Rivlin, Morton Kondracke, Robert M. Kaus, Taylor Branch, Justice Richard Neely, and Senator Bill Bradley. Charles Peters, editor of *The Washington Monthly*, will chair the conference. Everyone—Democrat, Republican, Libertarian, or just plain undecided—who is interested in neoliberalism and its possibilities is welcome.

The conference will be held at the Sheraton International Conference Center in Reston, Virginia, near Dulles Airport and a short drive from Washington, D.C. It will begin with a reception and dinner on Friday, October 21, followed by a full day of meetings on Saturday the 22nd, and a final breakfast on Sunday the 23rd. The cost for both nights is $250; for one night, $150; for Saturday only, $50.

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Photo courtesy of the FAA

Like air traffic controllers, many teachers today see ensuring their own comfort as more important than solving the schools' real problems.

trollers, flow control could have saved money. Finally, it could have made the system even safer for the flying public.

PATCO missed its opportunity, though the FAA intends to give its successor a second chance. Overruling the strong recommendation of the Jones Commission, the FAA has announced that by mid-1984 it intends to return to the old system that allowed airlines to fly almost any time they desired. "It's not the FAA's air space, it's the user's air space," J. Lynn Helms, the FAA's administrator, has proclaimed. The declaration probably comes as a bit of a surprise to the flying public, which may think that it should have the final say about an air traffic control system that it pays more than $1 billion a year to operate.

But PATCO's biggest mistake in its effort to win the support of Congress and the public lay in its failure to take full advantage of its best argument: the FAA's terrible record in managing its employees.

Given the obvious importance good morale plays in operating a system that strives for zero defects, the FAA presumably would have paid close attention to the managerial talents of its supervisors who were responsible for the system's daily operations. It actually paid almost no attention. One management expert who's closely observed the FAA says, "The agency has traditionally tended to see the position of supervisor as a reward for being a good controller—the guy who can handle 36 planes in a thunderstorm and not lose his cool—or a place to put burned-out controllers." He adds, "Unfortunately, good controllers often make terrible managers."

Although complaints about low pay and long hours are conspicuously rare when controllers are asked to name their biggest frustration with the system, complaints about bad managers are almost universal. Schaiger recalls one supervisor: "A real burn-out case. He'd sometimes freeze when he had to work airplanes, and just forgot about them. I was watching him one day when he had a near miss." Runge's supervisor at Bismarck insisted that his controllers stand while talking to pilots because it showed "more professionalism."

Some supervisors not only were exceptional controllers but skilled managers. Far too many, however, tended "to vector people like airplanes," as the Jones Commission put it. Managers tried to enforce a myriad of petty rules, and they demanded obedience rather than trying to seek cooperation. In towers and centers across the country, it was a triumph of what's worst about bureaucracy. "I was a controller in the military," says Runge, "and I never had the kind of petty, authoritarian bosses I had in the FAA."

The Jones Commission tried to discover how deeply the authoritarian streak ran among FAA managers. It asked team supervisors, the first level above controllers, how strongly they identified with something called Theory X—a management style that emphasizes authority, rigid hierarchy, and strict adherence to rules. Theory X stands in stark contrast to the management style that Thomas Peters and Robert Waterman describe in *In Search of Excellence* as characteristic of the nation's most successful companies. More than half the system's supervisors embraced the theory with such enthusiasm that their average score was 87 of 100.

As labor-management relations deteriorated, fewer and fewer controllers decided to bid for management jobs. A system that draws most of its managerial talent from outside the organization can usually tolerate such self-selection. But

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the FAA drew almost all its managers from the ranks of the controllers, so supervisors could step in during emergencies to help control traffic. In an atmosphere where many of the best potential managers remained controllers, or became active in union politics, it was inevitable that the entire system would suffer.

PATCO's active effort to discourage controllers from becoming managers—it expelled supervisors from its ranks in the mid-70s—is all the more striking given that they occasionally lapse into moments of sounding just like managers. Here's Taylor: "I can tell you a week after being in a facility who can control and who can't. But it's very tough to get a bad controller off the boards. You have to work around him. " Taylor describes several occasions when he was forced to take a controller aside to tell him that he should never control another airplane. Leyden has similar, un-union-like complaints. "The system rewards mediocrity for both controllers and supervisors, " he says. "It doesn't make sense to pay the same when we know there's a great deal of difference in the motivation and abilities of individuals. " Press both men, however, on the implications of what they're saying—the need for meaningful performance evaluation, which the Jones Commission found almost absent in the system, and a compensation system that considers more than just traffic volume and a controller's seniority—and they both demur. "It's so difficult to come up with a fair system, " says Leyden.

Taylor looks back and says that he now understands how the union's emphasis on money was a fundamental mistake. "I remember, in October 1979, sitting down with Bob Poli and talking about the money question," he recalls. "Poli argued that to bring about the changes we wanted—to deal with stress, career progression, bad management—we had to use money as a shortcut. My point was that controllers would go to the mattresses for the human concerns, if they were led the right way. And I felt that if they wouldn't risk their jobs for these right reasons, then we shouldn't ask them to risk their jobs for the money. "

But that's exactly what PATCO did, and Taylor was one of the strike's leaders. He spends his time now working for the United States Air Traffic Control Organization, which arose after PATCO's declaration of bankruptcy and counts 2,100 former controllers (and a handful of working ones) as members. Taylor puts out a monthly newsletter that details the plight of former controllers around the country, chronicling the suicides (four so far), the divorces, and the occasional jail sentences arising from the government's prosecution of 77 strike leaders. (Just this summer, controllers Ron May and Gary Greene served 90-day sentences in Texas for their role in the walk out). "These are good, hard-working people who deserved a lot better," he says, and as he talks about them, it's with an evident mixture of sympathy and guilt. And he's right. It just so happens that neither the FAA, nor their union, was able to give it to them.

The self-deceptions, the ambitious leader, the runaway union, "drinking the Kool-Aid"—it is tempting to dismiss the controllers' folly as the result of some exotic form of madness that suddenly possessed otherwise reasonable people. But the mistakes and delusions the controllers succumbed to, rather than being unique, are all too common elsewhere in American society.

Some work is truly miserable, and the hazards of the workplace for too long were cavalierly dismissed. But in recent years, the legitimate expressions of concern about work and the oft-expressed desire for "meaningful employment" often betrayed a dark underside. The job became something of an enemy; many of us nodded in knowing agreement when Studs Terkel opened his 1974 book *Working* by explaining that the volume "being about work, is, by its very nature, about violence—to the spirit as well as the body. " The

A "secret" invasion
A Presidential coverup
A disastrous war
The year? 1811!

THE PLOT TO STEAL FLORIDA
James Madison's Phony War

by **Joseph Burkholder Smith**,
author of *Portrait of a Cold Warrior*

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"Reads like an espionage thriller." *(ALA Booklist)*

ARBOR HOUSE

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last decade has also witnessed the increasing balkanization of American life as interest groups proliferated and many people lost their allegiance to the larger communities of which they were a part. It showed in the autoworker who let the defective car pass by on the assembly line, in the corporate executive who insisted on a seven-digit salary regardless of his company's performance.

Above all, it was a decade in which people became increasingly preoccupied (even more so as inflation hit double-digits) with their own comfort and security. As the controllers' case so graphically illustrates, the result too often was a strong self-pity. What was good and satisfying about the job was overlooked as the discontents loomed large. Grossly exaggerated grievances overwhelmed the legitimate ones. The lines of people eager for a chance to do the same job—225,000 applied for 7,000 controller positions after the strike—were forgotten.

A good analogy to the controllers exists today with America's school teachers. Unlike controllers, some teachers have a reasonable case for higher salaries. But in other respects, the similarities between the two professions are striking. Teachers' complaints sound the same: the daily stresses, the large responsibility, the fear of burn out, the bureaucratic rules of authoritarian and petty administrators. The satisfactions of the job are equally as intense: the feeling one gets when students rise in their chairs in rapt attention, the satisfaction one feels when a former student drops by in the late afternoon to describe how you helped change his life. Good teachers speak of their best moments with the same near-reverence that controllers show when they describe guiding a half-dozen planes safely through a thunderstorm.

As the current debate about education makes painfully clear, the labor organizations that represent teachers are making the same mistake of confusing the comfort of their members with the welfare of the entire system. Education will only achieve excellence, they say, when teachers get better pay and shorter hours. Until then, it's unreasonable to make distinctions between good teachers and bad ones when it comes to pay or performance. So rather than leading the effort to come up with a better plan to reward good teachers and rid the system of bad ones, teachers unions protest that it can't be done fairly, so it shouldn't be done at all. The public isn't buying the argument, just as it couldn't accept the controllers' demands for greater pay and benefits. As a result, the teachers threaten to lose the ability to lead the effort for better schools.

So it is with the controllers. They threw away the standing they could have had with the public when they tried to suggest that safer skies weren't possible without greater rewards for themselves. The argument might have been valid in 1969; it wasn't in 1981. Instead, the controllers should have seized on the issue of reducing the system's peaks and valleys. The FAA was clearly vulnerable: its refusal to consider flow control exemplified the agency's lack of concern for controllers as well as its history of catering to the airline industry. Most important, it was an issue that would have struck a responsive chord, not just in editorial writers but among the average worker to whom PATCO's demands were not only unreasonable, but downright offensive. Had PATCO decided to mobilize public opinion on behalf of this issue, demanding congressional hearings, picketing airports, and taking its story to the public, it might have made the public an ally in its struggle with FAA management. The union could have won long before it had to take a strike vote.

Instead, the controllers made the public their most potent enemy, sacrificing their energies—and ultimately their jobs—on behalf of things that now don't seem to have mattered very much. The lesson they learned was a particularly harsh one, and it's one that Walter Hendrick, a former controller, sums up well in a recent letter to USATCO's newsletter:

"The biggest mistake we made was letting ourselves believe our own p.r. Of course our job is critical; of course it is fatiguing, both mentally and physically; and of course the demands seemed, and probably did, increase on what we felt to be a daily basis. But most of that was really taken in stride when you consider how most controllers actually felt about their jobs.

"Speaking for myself, I had not before, nor have I since, experienced a sense of achievement, of real worth, that even comes close to the self-satisfaction and pride I felt during the years that I was employed as an air traffic controller. Now I punch a clock for less than one-third of what I was earning. Granted, I am thankful I have a job, but compared to what I was earning at an occupation I truly enjoyed, I can only conclude that I was a fool to participate in that ill-fated venture."

"Who jerked us around more?" Hendrick asked at the letter's close. "The FAA, Bob Poli, and his choirboys? Or did we all just kick the stool out from under ourselves?" ■

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WHO'S WHO in the Administration

As things now stand, Reagan plans to run again. His campaign managers will be Nevada Senator **Paul Laxalt**, who served in a similar capacity in 1980, and former Secretary of Transportation **Drew Lewis**. Lewis left just this spring to become chief executive of Warner Amex Cable Communications, a joint venture between Warner Communications and American Express. His interest in returning to political life was reportedly rekindled by the realization that he couldn't escape being in bed with **Steve Ross** and the other clowns who have halved the value of Warner stock in the past year.

As for the White House's interest in Lewis, absence seems to have made the heart grow fonder. Members of the White House staff traditionally keep a hostile eye out for outstanding cabinet secretaries who are potential threats to their own jobs. Cutting a rising secretary down a few notches can be accomplished by telling the president that the member "is stealing your limelight." Lewis's short sabbatical has apparently made White House staffers now more appreciative of his talents and less fearful of what they once saw as his threatening ambition.

The campaign's press secretary has also been chosen. He will be **Jim Lake**, who was last seen going over the side after the New Hampshire presidential primary in February 1980, along with Reagan's then-campaign manager, **John Sears**. One factor in Lake's rehabilitation is **Nancy Reagan**, who loathed Sears but has genuine affection for Lake. It is said that her face lights up when his name is mentioned. . . .

When 1,200 piqued women were turned away at the White House door last month after their tour was canceled without notice, where was the president? At that very moment he, **Ed Meese**, and **Craig Fuller** were being briefed by OMB Deputy Director **Joe Wright Jr.** Among Wright's responsibilities at the OMB are women's issues. . . .

In

HEALTH AND HUMAN SERVICES
Special Assistant to the Secretary—**Dale W. Stopper** has been assistant secretary for management and budget.

INTERIOR
Assistant Secretary for Energy and Minerals—**William P. Pendley** has been deputy assistant secretary.

STATE
Assistant Secretary for Near Eastern and South Asian Affairs—**Richard Murphy** has been ambassador to Saudi Arabia.

Ambassador to Egypt—**Nicholas A. Veliotes** has been assistant secretary of state for Near Eastern affairs.

Ambassador to Mozambique—**Peter Jon de Vos** has been ambassador to the Republic of Guinea-Bissau and Cape Verde.

AGENCIES AND COMMISSIONS
Chairman, National Bipartisan Commission on Central America—**Henry Kissinger** was secretary of state and national security adviser to former Presidents Nixon and Ford.

Chairman, Federal Reserve Board—**Paul A. Volcker** has been nominated for a second four-year term.

Chairman, Commodity Futures Trading Commission—**Susan M. Phillips** has been acting chairman.

Member, Securities and Exchange Commission—**Charles C. Cox** has been chief economist for the SEC.

Out

WHITE HOUSE
Assistant to the President for Policy Development—**Edwin L. Harper** has resigned to become executive vice president of Overhead Door Company in Dallas.

DEFENSE
Joint Chief of Staff—Marine Commandant **Robert H. Barrow** has retired.

Joint Chief of Staff—Army General **E. C. Meyer** has retired.

HOUSING AND URBAN DEVELOPMENT
Assistant Secretary for Policy Development and Research—**Emanuel S. Savas** has resigned.

JUSTICE
Assistant Attorney General for Land and Natural Resources—**Carol E. Dinkins** has resigned.

AGENCIES AND COMMISSIONS
Member, Securities and Exchange Commission—**Barbara Thomas** is resigning before the end of the year.

Member, Commodity Futures Trading Commission—**James M. Stone** has resigned.

Member, Federal Home Loan Bank Board—**James L. Jackson** plans to return to the private sector.

Commissioner, Food and Drug Administration— Dr. **Arthur Hull Hayes Jr.** is leaving to be dean and provost of New York Medical College.

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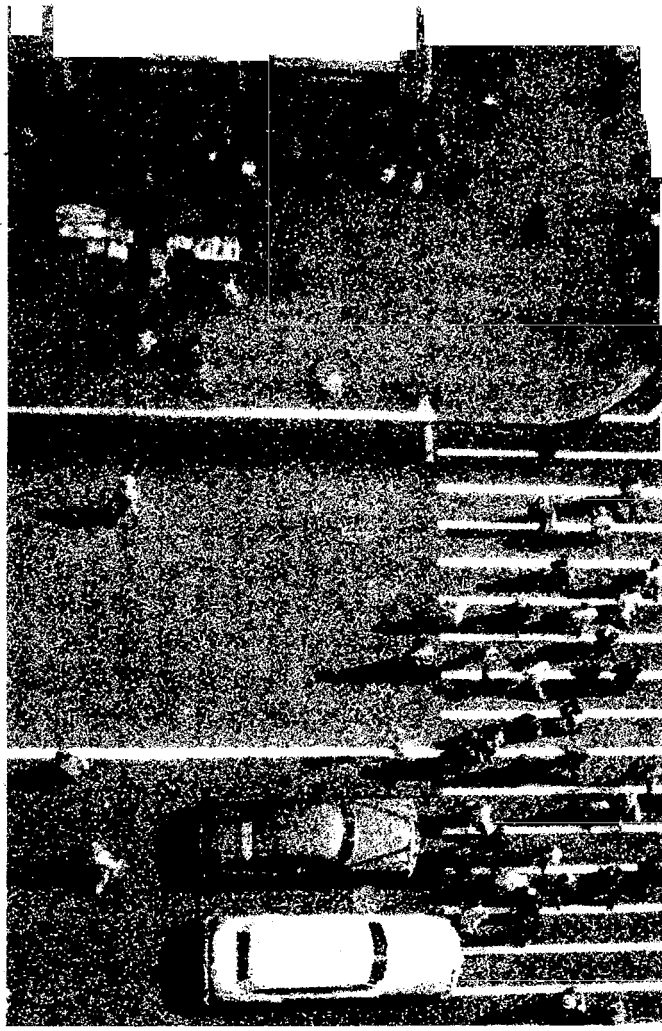
Community Without Conformity:

by Nicholas Lemann



A couple of years ago I came across a huge set of photographs taken all over the United States in the 1940s. They struck me with great force, mostly because they seemed to direct attention irresistibly toward what might be called the American character. While the pictures showed a country in some ways vastly more heterogeneous than it is today (there was no television, commercial jet travel, or interstate highway system), at the same time there was a strong sense of its being a single enterprise. With the great benefit of hindsight, it was possible to look at the pictures and find, in the America of the forties, what we're so used to hearing was there: patriotism, a sense of shared burdens, the absence of today's self-indulgence. As they raised the issue of national character, the pictures implied that it has changed for the worse since then, but of course they couldn't explain exactly what had happened, or why.

Nicholas Lemann is a contributing editor of The Washington Monthly *and author of* Out of the Forties *(Texas Monthly Press, $21.95).*

In reading through the popular literature of the postwar years, it becomes clear that the first coherent vision of the national character in the age didn't emerge until the early and middle fifties. The titles of a few books that encapsulated this vision will call it forth: *The Lonely Crowd; The Man in the Gray Flannel Suit; The Organization Man.* The idea was that large bureaucracies of government, business, and even religion and social service, were coming to dominate the life of the country as never before, and that the lives and ways of thinking of the citizenry were undergoing adjustments to accommodate the change. The generation born in the twenties was finishing school, joining up, and moving to a proliferation of rootless suburbs to raise its families; but what really bound it together was a single character trait.

William H. Whyte Jr., in *The Organization Man*, called it the Social Ethic, "that contemporary body of thought which makes morally legitimate the pressures of society against the individual." David Riesman, in *The Lonely Crowd*, called it "other-direction": "What is common

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Photo courtesy of the Library of Congress

to all the other-directed people is that their contemporaries are the source of direction for the individual." In all these works, conformity is the word that comes up most often and resonates most. No one would take risks. No one wanted to be different. Anyone out of the mainstream was to be distrusted or ignored. It was not difficult to look at the great events of the time for confirmation of the theory: Eisenhower was the regular-guy president, people preferred hanging on to their jobs to taking on Joe McCarthy, intellectuals were preoccupied with "consensus," and diplomacy, in the atomic age, had become risk-conscious in an entirely new way, yet also completely intolerant of different cultures.

The analysts of the day did not believe this was a fad that would pass; like Crevecoeur 150 years earlier, they felt that America was producing a new kind of man who would continue to dominate the life of the country, if not the world, for generations. Whyte's last chapter is called "The Organization Children," and says the schools of the fifties are teaching the subordination of the individual to the group. Riesman ties the rise of other-direction to the end of a period of high population growth, with the idea that it will last all through our society's long maturity. Whyte ends his book by saying gloomily that Alexis de Tocqueville's long-feared tyranny of the majority has come at last.

But today what's striking about the Organization Man school is how poorly it predicted the nation's future. It has become commonplace for people to look back longingly to the forties, if not the fifties, for the strength of the glue that then bound us together. Rather than excessive conformity, we're worried about an excess of what William Whyte said was the character trait the nation most needed—individualism, or narcissism, to use Christopher Lasch's (and Jimmy Carter's) word. Rather than the power of the majority, we worry about its lack of power, about the vise-like grip of interest groups on national politics and the concomitant withering away of political parties and other broad consensual bodies. Corporations? Instead of fearing their dominance, we're trying to get them back on their feet. Company men? They're bedeviled not by the

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People look back longingly to the forties, if not the fifties, for the strength of the glue that then bound us together. Rather than an excess of conformity, we're worried about an excess of narcissism.

bridge club, but by divorce lawyers and cocaine dealers. How could the seers of the fifties have been so right about their own times, and so wrong about what would follow? Maybe the Organization Man was a more complicated figure than he appeared to be. It's worth wondering about, because if we could understand why our current ills were able to surprise us so completely, we might also see what brought those ills about, and how to beat them.

William Whyte devotes a chapter of *The Organization Man* to presenting Herman Wouk's *The Caine Mutiny*, a novel set in the forties but addressed to the concerns of the fifties (it was published in 1954), as the apotheosis of the cowardly Social Ethic. His case turns on one scene: after brilliantly winning an acquittal at the Navy court-martial of Steve Maryk, who relieved the insane Captain Philip Queeg of his command of the minesweeper *Caine* during a typhoon, Maryk's lawyer, Barney Greenwald, staggers drunk into a victory party. Though it was Maryk who got off, Tom Keefer, a young officer on the *Caine* who's also a novelist, is the center of attention; he had persuaded Maryk to turn on Queeg, and he is now far more exultant than Maryk. Keefer effusively toasts Greenwald, the lawyer, but Greenwald unexpectedly turns on him with a stream of bitter invective. He says Captain Queeg was just a regular Navy man who was protecting America, whereas Keefer is a smart-aleck intellectual: ". . . these birds we call regulars—these stuffy, stupid Prussians, in the Navy and the Army—were manning guns. Course they weren't doing it to save my Mom from Hitler, they were doing it for dough. Question is, in the last analysis—*what* do you do for dough? Old Yellowstain [Queeg's derisive nickname], for dough, was standing guard on this fat dumb and happy country of ours."

Here is a quintessential moment of crisis for the fifties mind—so close to the heart of things that Wouk, a Jewish novelist, builds the question of the *Caine* mutiny around a fight betwen a Jew and a novelist, as if to express that it's a passionate close call in his own mind. Keefer, as William Whyte is quick to point out, was right to lead the charge against Queeg, who should not have been commanding a warship. But Wouk is careful to portray Keefer with suspicion. He is supercilious, odd, difficult to like, and a coward. In the very next scene after Greenwald's tirade Keefer is given command of the *Caine*, and, after a kamikaze attack, he jumps ship, leaving his men to fend for themselves—but in the water he is clutching to his breast the manuscript of his novel! Meanwhile his half brother, Roland Keefer, a Regular Guy, has already died a hero in a kamikaze attack on *his* ship a couple of hundred pages back. The implication is that Tom's urge to blow the whistle stems from his lacking the courage and self-effacement necessary to stay on the team even when the team is wrong. To take it further, as Greenwald does, the degree of individualism that it takes to be a novelist is antithetical to the achievement of great organized triumphs like the defeat of Hitler.

That may be Wouk's message, but the message of *The Caine Mutiny* to someone reading it today is that there was a direct causal link between World War II and what was perceived as the conformist ethic in the fifties—a link the social analysts of the day barely acknowledged. But it makes sense. The war was a psychologically powerful and universally shared experience on a scale that this country has not seen since, and it pathetically dwarfs such later claimants as Woodstock. It was a fundamental triumph of good over evil that was engineered not only by a bureaucracy but by *military* bureaucracy. It was a triumph of the organization, not the individual.

All those are fairly obvious points of departure for the fifties ethos, but there's one other that's not so obvious. War is horrible almost beyond the imagination of people who have lived their lives in peace. It is horrible for everyone who has to worry, at every moment for years on end, about someone they love dying, and it is especially horrible for the soldier in combat, whose experience, by all accounts, inflicts long-

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term psychological devastation along with its better-known wounds. Could it be that the Organization Man was suffering from shell shock?

Ample support for that theory can be found in *The Man in the Gray Flannel Suit*, a novel that's not quite what it's remembered as being. Yes, it's about a junior executive with a wife, three kids, and a too-small house in Westport, Connecticut; yes, he rides the commuter train, works for a big corporation, and drinks too many martinis. Even in his own mind he is "Thomas R. Rath, 33 years old, making $7,000 a year, owner of a 1939 Ford, a six-room house, and $10,000-worth of GI Life Insurance, which, in the case of his death, would pay his widow about $40 a month." Lest anyone miss the point, there's a gumption-filled wife in the book to make it crystal clear. "And now," she tells Tom, "all you want is security, and life insurance, and money in the bank to send the kids to college 12 or 15 years from now, and you're scared because for six months you'll be on trial on a new job, and you always look at the dark side of everything, and you've got no *guts*!" But what's really bothering Tom is not the corporate life (his corporation is portrayed as fairly benevolent, with a kindly, lonesome genius at the helm) or peer pressure (no peers appear in the book) or rootlessness (he was born ten minutes from Westport). It's the war.

He suffers from what viewers of made-for-TV movies know as the Vietnam flashback syndrome. In the war he killed 17 men, one of whom it gave him an eerie flash of pleasure to stab, another of whom was his best friend, the target of an errant grenade thrown in the wrong direction in the heat of battle. Before being shipped from Italy to the Pacific, he had an affair with a teenage girl, though he was already married, and left her pregnant. He has never told anyone any of this, but, ten years after the fact, it consumes him emotionally.

It's quite clear that his Organization Man-ness is just a manifestation of his continuing anguish over combat; here's the passage that gives the book its title:

"They ought to begin wars with a course in basic training and end them with a course in basic forgetting. The trick is to learn to believe that it's a disconnected world, a lunatic world, where what is true now was not true then; where Thou Shalt Not Kill and the fact that one has killed a great many men means nothing, absolutely nothing, for now is the time to raise legitimate children, and make money, and dress properly, and be kind to one's wife, and admire one's boss, and learn not to worry, and think of oneself as what? That makes no difference, he thought—I'm just a man in a gray flannel suit."

So strong are the war scenes that, perhaps more than the author intended, they drain the juice out of the rest of the novel. Tom's corporate career turns out to be almost absurdly easy, and he is made to hesitate over a series of wonderful promotions proffered by the company's president while he tries to set his war-fevered mind at rest. Although in the end he does decide, in classic fifties-novel fashion, to get out of the rat race, the real moment of epiphany comes when he tells

Tomball, Texas. Photo by Esther Bubley, courtesy of University of Louisville photographic archives.

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his wife, finally, about the war; after she takes in the news of his Italian son in a torrent of emotion, you know everything is going to be all right.

For every Tom Rath there were ten other soldiers who went through the war without a truly searing combat experience. But those the war didn't scar, it nonetheless marked. Even the most back-line soldier at least theoretically risked his life, and caused tremors of worry to run through his family back home. He gave up two or three or four prime years to the service of his country, and at first it looked like it would be much more than that. He lived in cramped, crowded quarters, lonely for long periods, and in the fever of homesickness imagined life back home to have been much more harmonious than it really was. "If he ever came back alive, " Wouk wrote of Willie Keith, the hero of *The Caine Mutiny* and a far more typical World War II soldier than Tom Rath, "He wanted peace and luxury." If prewar America hadn't offered much in that line, the returning veterans would create surroundings for themselves that conformed to what they had dreamed about during the war—tree-lined streets, neat lawns, growing families. What made them Organization Men wasn't a grand historical shift in the behavior of the species; it was the war.

A second misapprehension of the Organization Man school has to do with the nature of authority—the authority that they then worried was too strong and that is now viewed by such seers as Robert Nisbet as being in "twilight." With the modern corporation still a relatively new beast in the fifties, and huge government bureaucracy even newer, and totalitarianism on a continuous 20-year roll around the world, it's easy to see how the American bureaucratic life might have been misapprehended. All the tenets of sociology and the powers of observation pointed to the erosion of traditional forms of authority (family, church, town, custom) in favor of the authority of the large organization, and there was every reason to believe that this authority would prove to be oppressive. Wasn't that the case in all of the communist world? Didn't the American corporations seem systematically to be breaking down the ties of their employees to place, to church, to relatives, to everything but the corporation? Wasn't everyone now encoded onto a computer card, and didn't the leading computer company, IBM, force every one of its employees to wear a white shirt every day?

Although you still see this vision of corporate fascism discussed here and there, it has long lost its suasion and now seems almost comically wrong. Daniel Yankelovich, the pollster, is making a fortune explaining to corporations their "new rules" employees, who aren't loyal, won't accept transfers, won't work long hours, and demand interesting assignments. The writers of the fifties wildly underestimated the extent to which the corporate economy would remain a free market for white-collar labor; instead of cracking down on their young whiners, as the fifties script would have dictated, our board chairmen are forced to turn plaintive eyes toward their management consultants and grumble among themselves about how much better their counterparts in Japan have it.

In the fifties, to pick one more irony nobody dreamed of at the time, there were a dozen or so computers in the country, all in the possession of large institutions, which stored vast banks of information and inevitably got the patronage of anyone interested in data processing—hence the computer as symbol of the organization's stranglehold on America. Now, thanks to the silicon chip, every freelance writer, backwoods elementary school, and Brill Building talent agent owns a computer, and it has become one of the

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There is a desire abroad in the land to join up again. The issue now is finding a setting for these sentiments that will produce, not the world of the fifties all over again, but an enthusiastic spirit of community.

postwar inventions that have made the country vastly more decentralized.

For each of these specific features of the modern world there's a specific cause, but overall there is also a sensible reason why authority appears to have declined. A turn-of-the-century German sociologist named Georg Simmel spoke of authority moving through three stages: subordination under an individual, subordination under a group, and subordination under a principle. The first stage finds its classic expression in feudalism, and in this country it has been approximated most closely in the relationship of slave to master, indentured servant to employer, sharecropper to landowner, or illegal alien to boss. There are traces of it in many small businesses, too. In the second stage, a small town of the Sinclair Lewis variety, with its rigid communally determined restrictions on behavior, would be the model. The third stage is the trickiest. Simmel points out that as a society becomes large, complex, and bureaucratic, authority exercised capriciously has the effect of screwing up the smooth operation of the system; so broadly applicable rules, regulations, and laws are passed, and they become the real source of authority.

Assuming, always, that we remain a fairly prosperous democracy, the increasing number and force of government and internal rules make it increasingly difficult for corporations to poke around in their employees' personal lives. There can be no doubt that it's easier now to be a gay employee, for example, than it was in the age before the huge corporation and huge government were our leading source of jobs. When we talk today about the diminution of authority, we certainly don't mean the authority of the legal system; we mean the older forms, the authority of the town and the parent and the boss, and these were the inevitable casualties of the bureaucratic age.

A final reason why the Organization Man theorists were wrong could be that theirs were self-negating prophecies. While through the late forties the team-player ethos was widely articulated at all levels of the culture, by the middle fifties the perceptions of *The Organization Man* were shared by millions of people, and particularly by intellectuals and those who felt left out of the political consensus of the time. Those who hung around with the cultured had by then gotten used to hearing high-falutin' complaints about conformity at every cocktail party, to the point that a backlash against the snobs began. Herman Wouk was part of that; in *Marjorie Morningstar*, his next novel after *The Caine Mutiny*, a detestably artsy writer named Noel Airman woos the nice Jewish heroine, but in the end (with the author's obvious blessing) she throws him over to become Mrs. Milton Schwartz of Mamaroneck.

In private life, as became clear in the late sixties, rank upon rank of those junior executives in the suburbs were reading their William Whyte and madly inoculating their own children against the plague of conformity. The corporations themselves, tired of being the bad guys, became less demanding; at the same time their employees, wary that anyone think of them as men in gray flannel suits, increasingly partook of the unloyal MBA-hired-gun ethos. In public life, the institutions of politics and government began to heed prescriptions in harmony with the perceptions of *The Organization Man*. These ranged from the glorification of political pluralism that Phillip Longman discussed in the June issue of this magazine; to John Kenneth Galbraith's advice, offered in *The Affluent Society* and elsewhere, that we stop worrying about production and turn our attention to distribution and "social goods"; to John F. Kennedy's dashing, James-Bondish ideas about foreign affairs; to Paul Goodman's proto-hippie cultural ideas in *Growing Up Absurd*. A generation of teachers taught the anti-Organization Man gospel.

When the Berkeley riots of 1964 made it clear that the Organization Man vision of American society was becoming seriously inaccurate, they did so under the banner originally raised by

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William Whyte; one of the great complaints of the leaders of the Free Speech Movement was that Berkeley students had been issued computerized ID cards. In many ways the country was ready to take the fears expressed in *The Organization Man* and run with them, and it did so to the extent that the cure came to overshadow the disease.

Today, as we wake up hung over from the spree that followed and survey the overturned ashtrays and broken lamps in the living room, what seems most clear is that the notion of national consensus is not inherently evil and must be brought back in some form more palatable than it was in the fifties. Even the Organization Man theorists now agree on this; as early as 1969, David Riesman, who ended *The Lonely Crowd* with a chapter called "Autonomy and Utopia, " implying that the relationship between those two concepts is that of horse and carriage, had partially recanted. Patriotism, the good of the nation, a concern for the community as well as the individual—even now the legacy of the Organization Man is strong enough to make one hate to say it, but these are noble and necessary concerns. Since the latter half of the 1970s, incipient Organization Man tendencies have manifested themselves in the generation born during the long course of the baby boom. There is a genuine desire abroad in the land to join up again, partly ignoble (young people no longer trust in American abundance and want risk-free, bountiful jobs) and partly admirable. The issue now is finding a setting for these sentiments that will produce, not the world of the fifties all over again, but an enthusiastic, inclusive spirit of community.

What can we learn from what went wrong in the fifties? A series of pitfalls clearly present themselves. First is the soul-exhaustion, the desire to lay that burden down, that World War II produced. But today, despite Vietnam and whatever disillusionments come to mind, that excuse of the fifties holds only for the most determinedly self-pitying. Most people now bearing children and moving past the beginnings of their careers ought to have considerable reserves of energy. What their parents put into the war in a single concentrated dose, they can put into forms of national service that can be pursued steadily for decades without wearing out the batteries.

The second pitfall is the corrosive pressure to conform that was, after all, part of the culture of the fifties. Imagine a social atmosphere that could induce Allen Ginsberg to spend time working in an ad agency—a spectacular act of self-erasure—or Herman Wouk to feel a self-hatred about being an artist strong enough to produce his portraits of Tom Keefer and Noel Airman. Whyte and Riesman weren't kidding. Times of national purpose often create as their byproduct an intolerance at worst, an inattention at best, toward those who don't fit into the grand design—it's no accident that the phrase "national unity" has always been a great favorite of fascists.

The best that can be said about avoiding this problem is that it crops up most in societies that are tired (America in the fifties) or scared (Italy in the twenties), neither of which our society is right now. On the other hand, in the fifties the quite understandable feeling of distress with the narrowness of the times found its expression in ways that served to destroy, rather than strengthen and deepen, the consensus. The good-hearted made Whyte's and Riesman's mistake of running like mad in the other direction and being blind to the virtues of community; the not-so-good-hearted created a minority culture based on sneering. Don't think for a minute that we are incapable of this today. Jimmy Carter's well-meaning if bumbling attempts to call us to the good fight—particularly his trip to the mountaintop in the summer of 1979—were widely greeted with snickers about his being so uncool.

In the annals of the national character, now seems to be a time when the Organization Man phase and the long reaction against it have finally run their course. There is a combination of inclination and need. People are no longer automatically hostile to organized effort. Meanwhile, organized effort—organized, that is, on unselfish lines—is what the country most needs. America is disintegrating into its component parts before our eyes. Single-interest groups absolutely unwilling to consider the general good have politics nearly locked up. Each social class sees less and less of the others as the public schools wither away. The air of a nation divided into camps is so pervasive that even the debate about what to do tends toward opinion-mongering and faction-promoting without any passion to find out what underlies our problems and convince the unconverted of the right solutions. So finding a national spirit that sticks, and works, and that people believe in even when there's nothing in it for them, and that will consume a good part of the life-energies of most of the country, is simply necessary. For the next phase in the life of the nation, it is the great cause. ■

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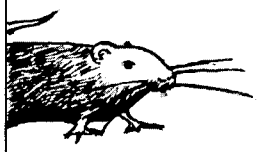
TIDBITS AND OUTRAGES

¿Como se dice "It's so hard to find good help."?

The Los Angeles Times reports that a Spanish teacher in Beverly Hills, California, has sold 20,000 copies of a book series entitled, *Tell A Maid*. The books offer instruction in how to "tell the hired help to polish the silver, walk the dog, trim the rose bushes, and wash down the tennis court."

Why, they can barely pay their maids!

During a recent Senate hearing Treasury Secretary Donald Regan objected to a proposed $700 cap on the July 1 tax cut on the grounds that it would hurt the "middle class." Senator George Mitchell pointed out that the cap would affect only those earning more than $50,000 a year, provoking the following exchange:
Regan: I doubt, senator, many people earning $50,000 consider themselves rich.
Mitchell: If the top 10 percent are the middle class, what are the bottom 90 percent?
Regan: They are the workers of America.



THE RATS, HOWEVER, DEMAND AN ENVIRONMENTAL IMPACT STATEMENT

In Cincinnati, Ohio, state health department officials are licensed to poison rats, but aren't allowed in the sewers, while Metropolitan Sewer District employees are permitted in the sewers, but aren't licensed to poison rats. A joint state-municipal effort is being negotiated.

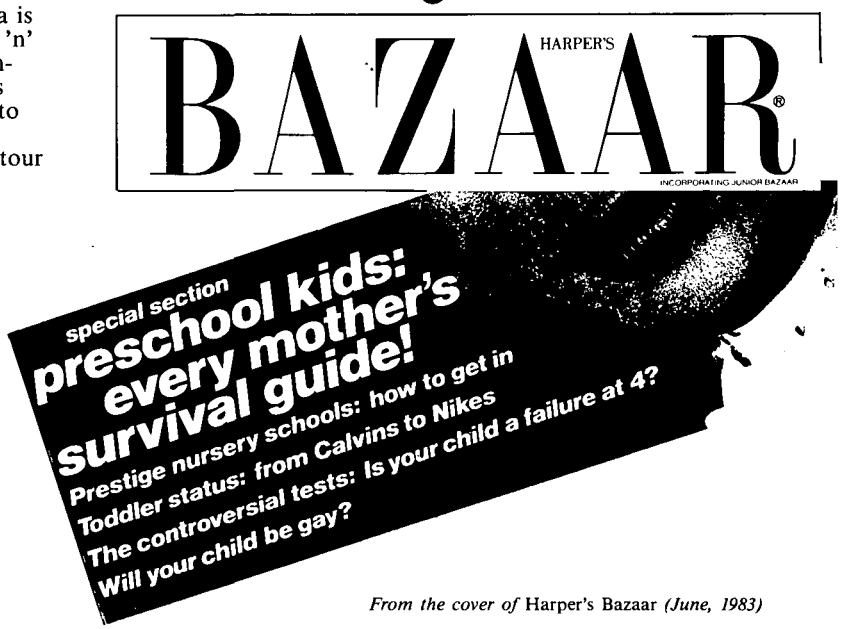
MAKE THAT FIVE Rs

Georgia State University in Atlanta is currently offering a major in rock 'n' roll through its department of commercial music. Among the subjects studied are studio recording, how to scrutinize a contract, and how to "work out in full detail a concert tour for a band."

BUT CAN IT HANDLE A BRIEFING BOOK?

A recent advertisement for Excelsior-Legal, Inc., of New York featured a "powerful paper shredder that fits on a desk" for attorneys who want the "optimum solution to destroying confidential documents." The device, which is specially priced at $389, is called the Shredex™ Watergate Top Secret.

NEXT MONTH
Power Lunching for Toddlers



From the cover of Harper's Bazaar *(June, 1983)*

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Why The Banks Get Away With It

by Curtis Seltzer

It's hard to remember a time when the news from banks has been so bad. The pyrotechnic collapses of Jake Butcher's empire and Penn Square in recent months followed a year that saw the largest number of such failures—42—since the Depression. The billions in loans that Chase Manhattan and other giants have poured into developing countries are, as we all know, on the edge of default.

It wasn't the recession that pulled the Butcher banks and Penn Square down. It was, more than anything, the bad loans the banks' directors doled out to themselves and their friends. The nation's biggest banks have been the tool of their own undoing as well. Eager loan officers, under pressure from their bosses, have shoved out the money as fast as they could, in the largest chunks that anyone would take. And meanwhile, those who have neither friends in high places, nor the loan appetite of a foreign government, have been pushed to the back of the line.

It's mainly not their money that these bankers have been so recklessly lending. It's ours, and you would think that somebody would have stopped them long ago. But nobody has, and that's the great mystery of the banking crisis that we face today.

As it turns out, the answer is not all that obscure. These days most people don't think much about the problems down at the bank, for a simple reason: they've got nothing to lose if their bank fails. Meanwhile, the people in government who are supposed to be watching the banks, aren't doing the job.

To understand how this happens, and why, I suggest a lttle tour. The first stop is a place called the National Bank of Washington, located just a few blocks from the U.S. Treasury. From there it's just a few more blocks to the second stop—the federal agencies that are supposed to prevent the kind of misdoing in which the NBW and too many other banks have been engaged.

Curtis Seltzer is author of Fire in the Hole, *a forthcoming social history of the American coal industry. He is currently writing a novel on a union-owned bank and organized crime. Kurt Eichenwald assisted in the research of this article.*

BANQUET BOARD

In the summer of 1980 a scandal broke at the NBW after the Baltimore *Sun* and then *The Washington Post* uncovered some questionable dealings. Federal examiners who followed the leads found that the bank had bestowed millions of dollars in loans to bank directors, stockholders, and officers, and that three-fifths of these loans were "high risk." Six directors resigned and the comptroller of the currency took the unusual step of requiring the major shareholder, the United Mine Workers, to relinquish two-thirds of its seats on the bank's board. The comptroller also prohibited bank directors from meddling in the day-to-day operations of the bank.

One way to understand the events at the bank is to look at its chairman from 1978 to 1979, the late Joe Danzansky, who showed that it doesn't take a bad man to lead a bank into bad things.

Joe was the local boy who made good. Born and educated in Washington, Danzansky started his own law firm in the thirties. He joined the board of one of his clients, the Giant Food chain, and became Giant's chairman in 1964. For the next 15 years he was never far from center stage. If a local businessman was involved in some good cause, more often than not it was Joe Danzansky.

When Danzansky became NBW chairman in 1978, it was natural that he would bring his embracing personality to that post as well. If you knew Joe Danzansky, you had a friend at the bank, and quite a few did. In less than two years under his leadership, the bank dispensed at least $30 million in $100,000-plus loans to Danzansky,

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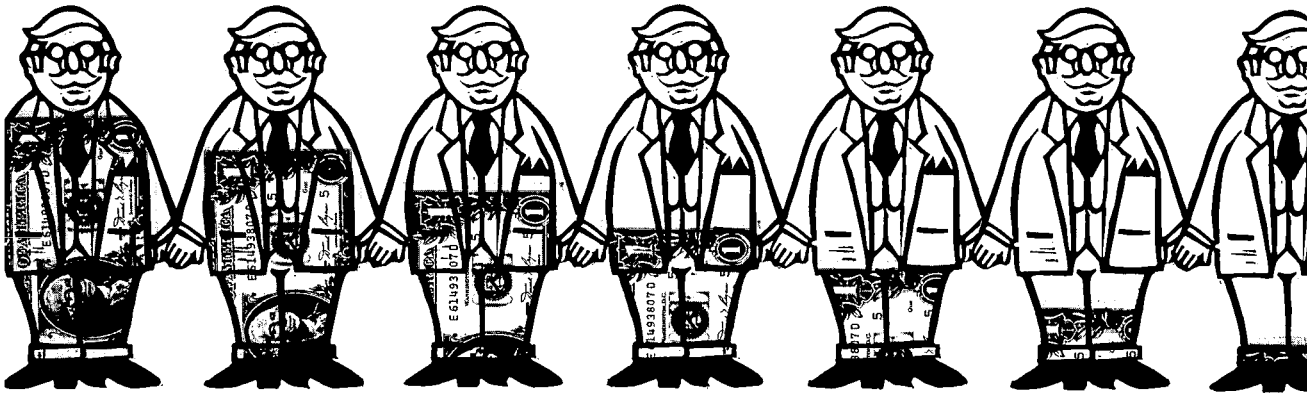

Illustration by David Street/Streetworks

his associates, family, friends, and companies in which he owned stock.

Even associates of friends got consideration, and the results were not always for the best. An example was a $4.5 million loan to the Laurel Raceway, a struggling racetrack in Washington's far suburbs. The owner of the raceway was one Joseph Shamey, a lawyer who had been disbarred for falsifying real estate records. This, plus the track's dubious prospects, made the enterprise unappealing to other banks as well as the NBW professional staff, who originally rejected Shamey's loan request.

But the racetrack owner began to pull some strings. All of a sudden both Danzansky and UMW Vice President Sam Church were pushing the loan. Some extraordinary internal politicking followed, and when it was all over, Shamey had his loan. The good vibrations didn't carry over to Laurel Raceway, however. In July Shamey defaulted, and the NBW had to make another loan, for $4.8 million, just to get someone to take the lemon racetrack off its hands. A second default followed, and the NBW eventually had to swallow a $900,000 loss.

Danzansky's natural inclination to make room for everybody helped turn the NBW boardroom into a banquet table. (Sam Church, a let's-deal type who in effect oversaw the bank for its owner, encouraged this atmosphere as well.) Just about everybody was taking helpings. Marvin Goldman, a board member and local theater magnate, got a $1.2 million loan to prop up his unsteady movie chain. Director John Lyon, a big-deal local contractor, received a series of loans amounting to more than $3 million, as well as special deferrals while he was under indictment for kickbacks to a Teamsters official. Lyon's partner, Nick Antonelli, a local parking and real estate big shot, secured loans while under indictment for bribing a local official. (Both Lyon and Antonelli beat the charges.) Ronald Nathan, the bank's general counsel, showed a special aptitude for getting himself packaged into deals that came before the board for loans.

By law the NBW directors couldn't vote for their own loans. But they didn't have to. It was a log-roll, and they all knew it. In 1978 and 1979, according to confidential board minutes, the Danzansky-led board did not reject a single loan request from a member.

MERCHANTS LIKE VENICE

The NBW did not crumble, but the misdoings there were typical of the kind of problems that can snowball into much bigger ones. The bank fiascos we've been reading so much about are magnifications of this theme. For example, Jake Butcher, the Tennessee banker who makes Joe Danzansky look like a paragon of cautious respectability, used his network of 14 banks to play shell games with loans to himself and his friends, and thereby stay one step ahead of the bank examiners. One deal: a $585,000 loan to a host at a Las Vegas casino to buy a Lear Jet from a Tennessee dealership in which Butcher's brother-in-law—a former bank director—had an interest. Butcher's empire, of course, is now in shambles.

Catching bankers at this sort of thing is a little like catching a priest in a paternity suit. There's a lurid *National Enquirer* element that we love to deplore. But there's much more at stake here than the "Banker Goes Bad" headlines would suggest. Banks are not islands. They are connected to one another by thousands of threads that are visible only to those who weave them. When one bank comes down, it can pull a good deal else down with it, and there is no better example than the recent episode at the Oklahoma shopping-center bank called Penn Square.

Penn Square was similar to the original merchant banks of Venice, which were established primarily to finance the businesses of the owners

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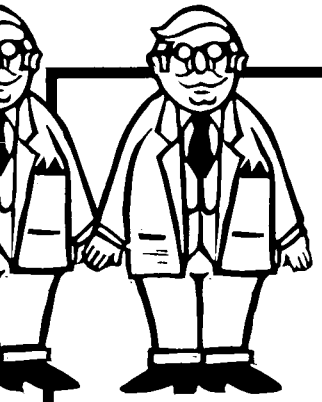

FAILURE TIP: MAKE IT BIG

Want to see a porno movie? Spend a little time in a bordello? Perhaps you'd rather play some golf, take a cruise around the harbor, or just go to church. Interested? Then take a trip over to the FDIC—the "federal flea market."

Usually when a bank fails these days, the FDIC doesn't actually pay off the depositors. Instead, it arranges for a good bank to take over the deposit liabilities of the bad bank. It's called a purchase and assumption—p&a, in deposit insurance circles—and it's why a bank isn't torn down after it fails. The "buyer" just hangs a new sign out front.

But failed banks have a lot of bad loans, and no bank wants to absorb the problems that caused another bank to fail. So the FDIC liquidators, like dutiful housekeepers, clean up the bank before the residents arrive.

That leaves the FDIC with a lot of strange merchandise. From C. Arnholdt Smith's fiasco alone, the FDIC acquired 30,000 acres of fruit farms in California, as well as fleets of taxis and tuna boats.

The reason the FDIC falls heir to these bad assets through p&as is that it simply doesn't have enough cash ($13.8 billion to cover hundreds of billions of dollars of deposits) to handle a large bank failure. So when such a failure occurs, the agency has no choice but to arrange a p&a. Since the bank on the receiving end of a p&a assumes all deposits—not just those under $100,000 that the FDIC insures—the agency, in effect, insures all deposits at large banks.

Sounds like a great deal. But there's a catch. Depositors at small banks—for which p&as aren't required—get no such extra service. So guess where the big guys take their deposits. Even the FDIC, with deliberate understatement, admitted in its 1983 annual report that "sophisticated users of banking services are increasingly aware that the FDIC's options are indeed limited" in the case of a large bank failure.

—Kurt Eichenwald

(if you have to borrow and pay interest, why not pay it to yourself?). Its board of directors and major shareholders included some of the biggest oil wildcatters in Oklahoma, and, not coincidentally, 80 percent of the bank's loans were for energy development. About $70 million in loans—20 percent of the bank's total—went to a single Penn Square director named Carl Swann.

That kind of money doesn't come from depositors walking in the door of a shopping-center bank, even one in oil-rich Oklahoma. Penn Square executives started courting banks like the Chase Manhattan, where eager-beaver executives in the Institutional Banking Department were hot to impress their higher-ups with quick returns, and signed on for millions of dollars' worth of Penn Square loans.

Where the whales go, the smaller fish follow. "Seafirst [of Seattle] looked at Continental and Chase, and thought that [Penn Square] was in good company," says a former executive of the Seattle bank. From there, it wasn't long until the really small fry, like the credit unions, were diving in.

With all this money swarming to its doors, Penn Square grew. Starting with $30 million in 1976, it had loaned out $2 billion by 1982. But the whole loan scaffold was built upon prospects in the oil market, and when the bottom fell out of the oil market, everything began to tumble. Penn Square came down, bringing with it Seafirst and causing the whole banking system to absorb millions of dollars in losses.

If a little Oklahoma shopping-center bank can wreak such havoc, just think what a larger bank can do. And don't think that insider lending is the exclusive province of the two-bit shysters. Do you think it's a total coincidence that a bank like Chase Manhattan was throwing millions of dollars in highly questionable loans to countries like Mexico and Brazil when its board included directors of companies such as Celanese, Armco Steel, and General Foods, which have large investments in those countries?

BANK DOPE

The story of the big bank scares of the eighties is how little most of us have cared. The failures, the headlines, the federal deficits, and the hemorrhaging foreign loans—if ever there was a time to get hold of your money and tuck it under the mattress, this seemed like it.

Yet how many of us even *thought* of rushing down to the bank to withdraw our savings? Probably we were already there, opening up a money

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market account. Even at banks like Chase Manhattan and Continental Illinois, which were rocked by careless lending on both the foreign and domestic fronts, deposits kept coming in. The year after its seaminess was laid bare in the press, the NBW scored a healthy 10 percent deposit gain.

The reason, of course, is the remarkable security blanket in which we have wrapped the banking system since the thirties. Federal deposit insurance, for example, guarantees that no one will lose a penny on the first $100,000 deposited in any bank. On top of that, a battery of federal agencies stands ready to rush to the rescue of bankers in distress, and if that fails, to mop up the mess with minimum inconvenience to all concerned. Why should anyone care what's going on down at his bank if he knows his money is safe?

This narcotic effect was deliberate. When people get nervous about banks and start pulling out their money, the whole system crumbles, as it did before the Great Depression. We endured such panics throughout our first 150 years and then finally decided, for better or worse, that a stable banking system was more important than free-market purity. Hence, all the props.

But "ensuring public confidence," as the bankers prefer to call their security blanket, was not supposed to be a one-way street. If we were to shelter these bankers from the market forces for which they profess such reverence, then we would expect something in return. Through a series of enactments, including the McFadden and Glass-Steagall Acts, we required banks to refrain from activities that might provoke such panics in the first place. We expected them to moderate their profit-seeking for the benefit of the public at large. To make sure the bankers upheld their end of the bargain, the government created a force of hard-eyed federal bank examiners to look over their shoulders. That, at least, was the theory.

WALKING SMALL

Suppose you wanted to set up a bank oversight system that was sure to flounder. What would you do?

First off, you'd probably divide responsibility among five different agencies, so there would be plenty of overlap, confusion, and waste. You'd make sure the agencies didn't talk too much to each other, so as not to spoil the challenge. Then, just to keep the regulators on their toes, you'd allow the banks to choose their own, and even switch if their current one displeased them.

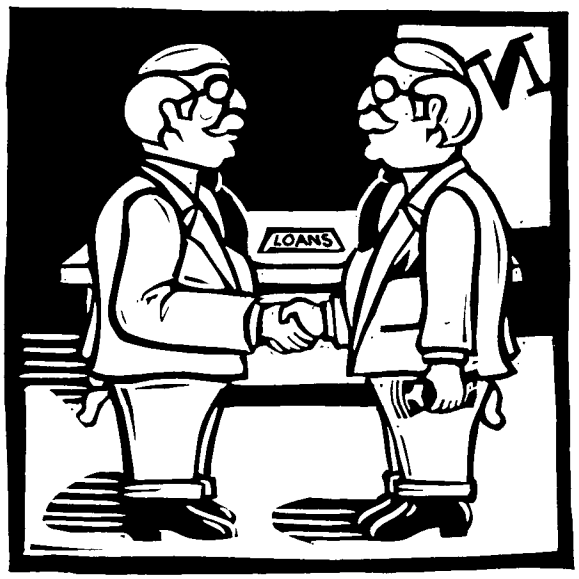
Congratulations. You have just created the federal banking regulatory system. It's truly a case study in how not to do the job. Even former Federal Reserve Board Chairman Arthur Burns has called it a "jurisdictional tangle that boggles the mind."

See if you can follow this. A national bank is supervised by: the comptroller of the currency, because of its national charter; the Federal Reserve, because it is required to belong to the Federal Reserve System; and the Federal Deposit Insurance Corporation, because the FDIC insures its deposits. A state bank that belongs to the Fed is supervised by state banking authorities, because it is chartered by the state, the Fed, and the FDIC.

To try to sort this overlapping mess, and determine which inspectors go where, the agencies have worked out "rules of primary regulators." The comptroller of the currency examines federally chartered banks. The Fed examines state-chartered member banks. The FDIC, which insures nearly all banks, examines only state-chartered banks that do not belong to the Fed. On top of that, the Federal Home Loan Bank Board has jurisdiction over savings and loans, the National Credit Union Administration oversees credit unions, and the Securities and Exchange Commission has authority over bank holding companies.

Follow that? If not, you're beginning to get the picture.

This Rube Goldberg setup doesn't work awfully well in practice. Witness the financial disaster set in motion by Penn Square. The Dallas



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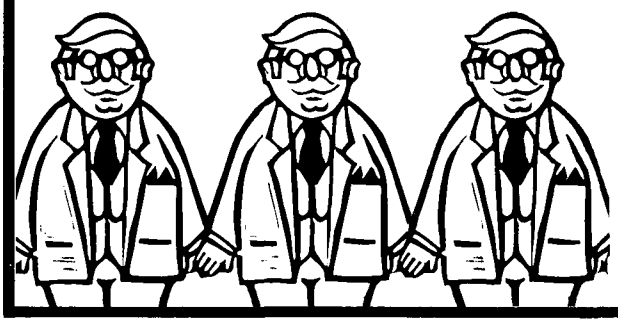
ANNALS OF EXAMINATION I

If you are getting the impression that all the crooked bankers are getting away with murder, take heart. A couple of bank examiners in Massachusetts have shown us that the bad guys don't always win. The examiners, Harold Norton and Richard Kelly, caught a bank breaking the law, and they closed it right down.

The oufit was called the HAL-Middle School Cooperative Bank and it was run by sixth-graders who were lending out lunch money to their classmates. Norton and Kelly took a look at the operation and threatened to throw the book at it—operating without a charter, collecting loans without a license, charging too much interest, using the word "bank" in their business title.

The kids were told they could get an official charter and operate legit. All it would take was $100,000 or so. "We want to give them a learning process, " Massachusetts Deputy Banking Commissioner Robert Ledbetter said.



ANNALS OF EXAMINATION II

Federal bank examinations may leave a good deal to be desired, but what about the private-sector equivalents—the audits done by the big accounting firms?

As we related last issue, Ernst and Whinney gave Jake Butcher's United American Bank a clean bill of health three weeks before it failed. In the 2,500 hours the E&W auditors spent pouring over Butcher's books, they never thought to compare notes with the 150 FDIC examiners who were practically sitting across the table from them.

Ernst and Whinney apparently is not a very fast learner. Back in 1974 the firm gave the Franklin National Bank an unqualified okay—shortly before it became the biggest bank failure in U.S. history. Peat, Marwick and Mitchell performed the same see-no-evil routine with Penn Square, and we all know what happened there.

In case you are wondering why these pricey firms are so disinclined to see what they are paid to look for—even when it's staring them in the face—then just think about San Diego banker C. Arnholdt Smith, who simply dismissed a series of auditors, including Haskin & Sells and Alexander Grant & Company, when they did not give him the report he wanted. To keep a client, keep him happy.

—Kurt Eichenwald

regional office of the comptroller *knew* that the bank was in trouble, and that it was selling a lot of its bad loans to other banks. But the comptroller never thought of making a few calls to his regulatory cousins to contain the damage. The Federal Reserve, for example, might have warned off banks like Chase Manhattan and Continental Illinois, who were getting knee-deep in Penn Square's bad paper. But the Office of the Comptroller never told it about the problems upstream. The comptroller also neglected to call the Federal Deposit Insurance Corporation, which usually tries to merge a floundering bank with a healthier one and therefore stave off disaster. No such luck. "Examiners are human beings, " Senior Deputy Comptroller Paul M. Homan shrugged, shifting the blame from his agency to the Creator.

DRIVE TIME

If five separate agencies make for bad communications, they also make for a lot of waste. Cities with lots of banks, like Chicago and New York, have to have *five separate offices* for the federal examiners, while a city like Gary, Indiana, with enough banks to justify at least one office but not enough under any single agency, doesn't get any.

The result is travel—and lots of it. The GAO found in 1981 that bank examiners spend as much as three-fourths of their time behind the wheel of a car. Travel is also the main reason for the enormous turnover among bank examiners—20 percent per year at the Federal Reserve.

Not all travel is so bad, however, especially when it's to places like Hawaii. The FDIC has an office in Honolulu, while the comptroller doesn't. It would make sense for the FDIC simply to send its auditors down the street to check out the comptroller-regulated banks, right? Come on—we're talking banking regulation. Instead, the comptroller flies its *own* examiners half way across the Pacific from San Francisco to do the job.

With five agencies to choose from, the bankers enjoy a buyer's market. The worst part of this buffet approach to banking regulation is that it undermines the authority of the entire system.

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By deciding where and how to get their charter, they can decide where and how to be regulated. Smart bankers play this game to the hilt.

Jake Butcher's bank, for example, originally had a federal charter, but then, in 1976, the comptroller's office said it wanted to discuss some loans and possible legal violations. That's no way to treat a customer, and five days later Butcher announced that he was taking his business elsewhere. By trading in his federal charter for a state one, he left his legal problems as far behind him as a parking ticket from Kabul. Later, of course, the banks went belly-up from the bad loans the comptroller had long before identified.

The problem goes deeper than separate agencies competing for clients. There's an awe of bankers, a feeling of inferiority to their power and prestige, that runs through the entire system. Scratch a banking regulator, and you often find the spirit of a valet.

This attitude was in full bloom when Clifton Poole, regional administrator for the comptroller of the currency, met in 1980 with the directors of Penn Square to discuss the problems that were evident even then. Poole had departed, after administering the mildest of regulatory actions. The directors proceeded to run their bank into the ground, taking at least one other bank with them, and causing untold damage to the whole banking system. To members of Congress wondering afterwards why he hadn't acted forcefully, Poole reported that, after the meeting, "almost every director of the bank came to me individually and expressed his commitment to correct the bank's deficiencies. " Gee whiz.

Mr. Poole's reluctance to use his authority seems to be about par. "If bankers tell us to go fly a kite," another regulator said back in 1976, "about the only thing we can do is go fly a kite." That's pretty much what they're still doing, too. Comptroller of the Currency C.T. Conover told a congressional hearing on the Penn Square disaster that he didn't know he had the power to remove bank officials for dishonesty. Walk gently, and don't even bother to carry your stick.

These attitudes seep down to the examiners in the field. It's not an easy job to begin with. You are a recent college graduate in a strange city, stationed at a table in an imposing downtown bank where you are about as welcome as a varicose vein. Whenever you need a document, you have to ask for it. Your superiors expect you to be out of there in a set number of days, and there aren't enough examiners to do the job right. You have a date the coming weekend and want to hurry.

The setting is not conducive to making a ruckus. It doesn't help that you are very likely thinking of going to work for a bank, as one-third of the bank examiners eventually do. The result is a sort of minimal enforcement. You do pick up the more obvious "problem" loans; farm and small business loans are especially ripe targets. The more sophisticated insider deals go undetected or unpursued. Not that they are easy to catch, even if the examiners are so inclined. Any sensible banker with something to hide is going to take out some insurance, usually in the form of high-priced accountants who make regular sport of bamboozling 26-year-old examiners fresh out of Ohio State.

What happens to examiners who try to do their job? Witness the case of Jack Baker, who was assigned in the 1960s to examine the United States Bank of San Diego, which belonged to Nixon crony and San Diego Padres owner C. Arnholdt Smith. It was a little like being assigned to inspect the *Lusitania* for water damage. Baker confronted Smith with evidence that the bank's books were filled with dubious loans, many to Smith's own companies, and Smith promised corrective measures. Three years later Baker returned, found the situation had grown worse, and filed another report. Smith once again promised correction. In 1966, the persistent Baker repeated his half of this Abbott and Costello routine, this time calling a meeting of the bank's entire board and submitting a detailed report to the comptroller and the Federal Deposit Insurance Corporation.

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It would be hard to accuse Baker of overzealousness. But that was the last time he faulted C. Arnholdt Smith. The comptroller shipped the fellow off to apply his fault-finding talents in Alaska. His successor, Richard Spencer, determined that Mr. Smith was running a dandy bank, and Mr. Smith determined a few years later that this new examiner should become his vice president. Two years after that, the bank failed because of the problems that Jack Baker had been trying to point out. "Smith had a fine reputation as a banker," the deputy comptroller said when asked why his agency hadn't taken action to stop the failure.

It wouldn't be fair to put all the blame on the regulators, however. Milquetoasts that they've been, it's still Congress that writes the law, and Congress has approached banking issues with the elan of a fourth-grader kept after school to do long division. After 60 years and innumerable reports, for example, our representatives still haven't moved to consolidate the federal banking agencies. Until 1978, when the flap over Burt Lance forced Congress's hand, there were no real restrictions on insider loans, and even today the limitations are noticeable for their absence. Directors, for example, can borrow just about as much as they want, as long as they can get approval from the rest of the board. The National Bank of Washington example showed us how little that shoe pinches.

"Many congressmen are afraid of bankers, " a senior banking committee staffer says, and the nearly three-quarters of a million dollars that banker PACs lay on the members of that committee alone does not increase anyone's desire to ruffle feathers. The way our representatives rolled over dead on the issue of withholding of interest and dividends suggests that their main contribution in the area of banking regulation has been to provide a role model for the regulators.

Congress gets gimpy even when it comes to holding a *single* banking regulator to account. A few years ago, Fed Chairman Volcker was desperate for a new law requiring all banks to be members of the Fed. Banks had been dropping out of the system—the buffet, remember?—and if the trend continued, Volcker would lose his grip on the nation's supply of money. It was a rare opportunity for Congress to get something from Volcker in return, such as a promise to loosen up the tight-money policies about which most of them had been complaining.

But these monetary matters are pretty complicated, right? Besides, better to pin our economic problems on Volcker than do something that could shift the blame to us. So Volcker got his law, free and clear, and Congress kept him and his policies as a target for the newsletters they send back home.

THE CRASH TRACK

Given the kind of regulatory setup that most captains of industry have fantasies about, what is the Reagan administration proposing? Freeing the nation's bankers from meddlesome federal regulation, of course. The Reaganites want to let the bankers renege on their end-of-the-thirties bargain and extend their reach into real estate, stock underwriting, and insurance— in other words, get back on the track that helped lead us toward the Great Crash. They say that banks need more leeway to compete with the giants like American Express, Merrill Lynch, and Sears, who have been moving in on their turf. It doesn't seem to occur to them that perhaps *no one* —neither Merrill Lynch, et al., nor the banks—should be allowed to grow into the kind of top-heavy financial empires that can bring everything else toppling down with them.

The concern is not academic. According to the FDIC, self-dealing by the people who own and run our banks is the number- one cause of bank failures, and if opportunities for self-dealing flourish now, just think what could have happened in the boardrooms of banks like the NBW or Penn Square if they had been dealing not just with credit but with real estate and stock underwriting as well. We should not forget that virtually every major financial collapse in our history, from that of the United States National Bank in 1837 to the Panic of 1893 and the Great Depression, has been the work not of Marxists or trade unionists or Luddites, but of the stock dealers, speculators, and bankers to whom the Reagan adminstration now wants to entrust so much.

Our problem is not that bankers don't have enough latitude. Our problem is that, far too often, bankers abuse the latitude they already have. We should be talking about putting more starch into our bank regulators, tightening up the regulatory structure, and imposing tough dollar limits on loans to all bank insiders. All such loans, moreover, should be publicly disclosed. And we should be putting the brakes on those banks that have been shoveling out loans to foreign countries when there are so many needs here at home. It's our money, remember? And if those loans start going bad, guess who's going to have to pay to clean up the mess. ■

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MEMO OF THE MONTH

UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
Southeast Fisheries Center
75 Virginia Beach Drive
Miami, Florida 33149

July 8, 1983

TO: F/SECx4 - Herb Kumpf

FROM: F/SECx4 - Larry L. Massey

SUBJECT: Acting for the Acting Associate Director for Research

This is to protest my designation as "acting" in positions 3 grades above my own. Although I agreed to act in your position (i.e., act for the Acting Associate Director for Research Management) for 7-14 through 7-23, I now find I also have been scheduled to act in Jones' position for 7-11 through 7-15. Of the latter I have not been consulted but was notified by the Weekly SEFC Calendar (July 11-15 attached).

During the week of 7-11 through 7-13 I see you are scheduled to act for Berry (i.e., act for the Acting Center Director). Since you and Dr. Jones report to the Acting Associate Director for Research (a position you now hold on a temporary basis) and that position reports directly to the Acting Center Director (a position Dick holds temporarily) why then must I be acting for Jones that same week (I'm not even sure of his title that week).

Since entering the SEFC in Miami in 1978, I acted for GS-14 positions many times. And, I have been temporarily reassigned on two occasions to help in other offices - - your's was the last and that temporary assignment lasted nearly two years.

I find it frustrating after so many years to attempt to fill a GS-15 position at a perennial base pay of GS-12.

Therefore, I suggest Mike Parrack who is a GS-14 and reports directly to the Acting Associate Director for Research, act both for Dr. Jones 7-11 through 7-15 and you 7-14 through 7-22.

Attachment

cc: F/SEC - Dick Berry
F/SECx4 - Al Jones
F/SECx4 - Mike Parrack

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The Pentagon Press:

Illustration by Matt Wuerker

Prisoners Of Re

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pectability

by Timothy Noah

It's the kind of story that investigative reporters are supposed to fantasize about. A major defense contractor is caught overcharging the government by several hundred million dollars for exorbitantly priced spare parts and hefty raises for employees. A middle-level Pentagon official who reports the abuses to his superiors is immediately slated for transfer. When the whistleblower finally goes public, top officials at the Department of Defense launch a campaign to discredit him and force him into early retirement. To look into some of the charges raised, the Pentagon appoints an investigating committee chaired by a man who is a paid consultant of the main contractor under suspicion. The committee finds no evidence of wrongdoing.

Fascinating as it all sounds, unless you're a regular reader of the *Washington Times,* the *Federal Times*, the *Hartford Courant,* or one of the Florida papers, or a regular viewer of ABC News' "20-20, " you've probably missed out on this saga. The story of a Pentagon whistleblower named George Spanton has received virtually no attention in the nation's leading newspapers, wire services, and evening news shows; if these news organizations have covered the Spanton story at all (and most haven't), they've assigned it the kind of play usually reserved for the GSA's new regulations on leasing office furniture.

That so many important journalists and their editors have missed the Spanton story is more surprising when you consider the rash of first-rate stories that have recently appeared about faulty weapons systems and huge cost overruns. These stories reveal a new combination of skepticism and sophistication in the press corps' approach to the military. But dismaying shortcomings remain in how the Pentagon is covered, as the Spanton story reveals.

Clark Mollenhoff of the *Washington Times* is a hulking, sixtyish man who speaks in a low croak and tracks down stories with a determination that is legendary among his fellow Washington reporters. ("He has this tendency, " says one, "to get on an issue and ride it, ride it, ride it.") His tenacity is not always regarded favorably by Mollenhoff's fellow journalists. In Timothy Crouse's *The Boys On The Bus,* an anonymous member of the White House press corps calls Mollenhoff (then a Washington cor-

Timothy Noah is an editor of The Washington Monthly.

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respondent for the *Des Moines Register*) "the Male Sarah McClendon," referring to the eccentric White House correspondent who presidents under fire at press conferences can usually count on to change the subject. The comparison is revealing of how the respectable press tends to lump its uncool or unusual colleagues into the same category of irrelevance. Mollenhoff may embarrass other reporters with his sometimes strident, sometimes humorless approach, but he repeatedly gets the stories that they have missed because they kept their cool.

Mollenhoff first heard about Spanton from one of his sources in the spring of 1982. Spanton was working for something called the Defense Contract Auditing Agency—the branch of the Defense Department that audits contracts—in West Palm Beach, Florida. As a Pentagon auditor, Spanton had written a 15-page report on excessive wage hikes among companies with government contracts. The firms, Spanton had found, were granting raises of 15 to 20 percent to their employees while federal employees were getting raises of only 5 to 8 percent. This didn't strike Spanton as very fair; why should people whose livelihood depended on the government receive better treatment than those who worked for the government? Surely, Spanton's superiors would want to look into this further.

Only they didn't. What they really wanted to do once they took a look at George Spanton's audit was transfer him to Los Angeles. Spanton's report was stirring up trouble at Pratt & Whitney, a division of United Technologies that made jet engines (and spare parts for those jet engines) in West Palm Beach. Spanton had singled out Pratt & Whitney for $150 million in "excessive wage escalation." He also called for greater access to Pratt & Whitney's books, as well as an industry-wide audit. In effect, Spanton was calling into question the DCAA's traditional kid-gloves approach. The reflexive bureaucratic response was to send the spoilsport away. Spanton's superiors at the DCAA regional office in Atlanta and at the Washington headquarters—Paul Evans and Charles Starrett, respectively—threatened to fire him if he did not agree to the transfer.

This reaction is less surprising when you consider the reason the DCAA was created back in 1964. Since the late fifties, the GAO had been conducting some fairly vigorous audits of defense contracts under Comptroller General Joseph Campbell. This had led to some embarrassment for Robert McNamara, who as secretary of defense was responsible for preventing waste in the Pentagon. To avoid further embarrassment, McNamara merged the auditing functions of the four services into one, centralized Pentagon auditing agency—the DCAA.

Once the DCAA was comfortably in place, McNamara argued that it would be "waste and duplication" for the GAO to audit defense contracts too. It was a classic administrative end-run: first, create a bureaucracy designed to duplicate that of an opposing agency; then eliminate the opposing bureaucracy in the name of efficiency. Under Elmer Staats, Campbell's more docile successor, the GAO more or less stopped auditing defense contracts. This left the job to civilian Pentagon employees working under men who were looking ahead to careers in defense contracting themselves once they retired from the military. Small wonder, then, that George Spanton aroused hostility from his superiors when he proposed cracking down on Pratt & Whitney.

Caspar Weinberger stumbled into the story when he came by the *Washington Times* for lunch one day in August 1982 and was asked by Mollenhoff what would happen to Spanton. Weinberger said he hadn't heard of him. When Mollenhoff told him about attempts to transfer Spanton against his will, Weinberger said, "That would be totally contrary to every policy we've got. We are seeking these suggestions." A few days later a spokesman for Weinberger said Spanton's transfer would be held off until March, at which time Weinberger assumed (wrongly, it turned out) that Spanton would be due for a routine five-year transfer.

Meanwhile, a few other stories about Pratt & Whitney bubbled to the surface. Among them was a report by Robert Hancock, deputy chief of the commodity division of the Air Force Logistic Center at Tinker Air Force Base in Oklahoma that found Pratt & Whitney had raised prices on some of its spare parts more than 300 percent in fiscal 1982. In one instance, a jet engine spare part had shot up in price from $35,189 to $190,855. There was also a Mollenhoff story about a retired Air Force general, Alton D. Slay, who had been appointed to a government panel set up to study spare part overruns after the release of Hancock's report. Slay, it turned out, was simultaneously a paid consultant for—you guessed it—Pratt & Whitney. The panel concluded that no fault lay with Pratt & Whitney or Air Force personnel and recommended a $4 billion increase in the appropriation for spare parts.

By now it was March and, in the minds of

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George Spanton's superiors, time for him to leave. To defend the transfer, they cited DCAA regulations that auditors be shifted around every five years. But when Spanton read the regulations, he found that auditors were to be shifted every five to *seven* years. Moreover, Spanton, then 62, planned to retire the following December, and the rules specifically permitted auditors in that situation to remain. No, no, the DCAA insisted, Spanton had to move because auditors who stayed in one place tended to get too, uh, *cozy* with the companies they were auditing.

If Spanton was getting cozy with his clients, he had a strange way of showing it: he was providing help to an FBI investigation of Pratt & Whitney, which by then was being probed by a federal grand jury for possible fraud in its expense accounts.

To fend off attempts to transfer him, Spanton had filed with the Merit Systems Protection Board. In April 1983 the board blocked Spanton's transfer temporarily. Then Caspar Weinberger wrote a letter to a dozen senators and representatives explaining that Spanton's proposed transfer was "common practice. . . to avoid the perception of 'clientitis.' " Weinberger's letter failed to explain how Spanton's aid to the prosecution of Pratt & Whitney could possible be construed as affectionate. (Maybe the secretary had a complicated Freudian theory to explain it all.) Anyway, at the same time, Charles Starrett Jr., director of the DCAA, was providing the opposite (and more candid) explanation: Spanton was being transferred because Pratt & Whitney executives refused to provide Spanton with data.

In other words, the director of the primary audit agency for defense contracts was admitting that the government would not force contractors like Pratt & Whitney to put up with auditors they didn't like. What did the Pentagon brass make of this? Vincent Puritano, the Pentagon comptroller, wrote Starrett to express his confidence that, "under your leadership, the auditors will continue as they have in the past to look at all claims. . . and question any they feel should be questioned." It was back to business as usual.

There you have it—the story that *The New York Times*, *The Washington Post*, and the evening news shows slumbered through for a year. It's a little complicated, and it requires looking back to events that happened two decades ago, but you would think the story would seem important enough for reporters to make a special effort. Every week at least one of our leading papers publishes an indignant editorial about what the Defense Department is doing to the deficit. Yet here was a perfect illustration of why the defense budget is as big as it is—and no one wanted to publish it. Why?

Most Washington reporters consider themsleves outsiders and feel duty-bound to maintain a healthy distance from the government. They like nothing better than having a tough question to lob at a White House official at a press conference, for example, and usually consider it unprofessional when their colleagues take a job in government. Still, there is something peculiarly ritualistic about this adversary relationship that makes you wonder whether reporters are genuinely confident about challenging the status quo. Those tough questions, for example, tend to address more banal concerns—"Would you reveal this secret?" "How would you respond to this criticism?" and so on—rather than challenge the basic assumptions behind those concerns—"Why are we doing this?" "Wouldn't it be better to do this?" etc. And the predisposition to disapprove of taking jobs in government suggests that deep down reporters really do feel vulnerable in their dealings with authority, and musn't allow themselves to get carried away.

The result is that reporters cultivate a detachment toward the workings of government. Stories are not supposed to be crusades; reporters who hammer away on certain topics that the rest of the pack haven't developed an interest in are suspected of not merely pursuing a story but trying to effect change. And trying to effect change is not considered respectable by most journalists.

This has remained true even after the changes that came to journalism after Watergate. Watergate made dramatically clear that beat reporters are overly susceptible to what Caspar Weinberger would call "clientitis." Embarrassed by the inadequacy of their beat reporters to get the Watergate story, major newspapers and TV news organizations hired aggressively adversarial reporters whose duty it is to dig up the stories that lie outside the cloistered world of press conferences, news releases, and background briefings (which, at the Pentagon, are actually referred to as "vesper sessions. ") In this category fall reporters like the *Times'* Charles Mohr and the *Post's* Fred Hiatt. These reporters have helped raise the standards of investigative reporting for daily news organizations by taking a more skeptical view of official Washington than their beat counterparts can.

On the surface, this good cop/bad cop approach to journalism should make coverage of

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a story like this easier; the beat reporters would just leave it to the investigative reporters. But the conventions of reporting made coverage of the story Mollenhoff had broken a little difficult. Unlike the beat reporter, who is willing to do a story that everyone else is doing, an investigative reporter is supposed to shun stories that don't allow you a scoop. More than once I heard good investigative reporters refer to the story of George Spanton and the DCAA as "Mollenhoff's story. " What was the point of telling it again when Mollenhoff had told it so well?

Set aside the obvious answer to that question—that the *Washington Times* isn't read by many people in Washington, let alone the rest of the country—and accept the proposition that investigative reporters shouldn't tell the same story twice. That *still* leaves a lot of avenues for an imaginative reporter to perceive emanating from the Spanton story. Inspiration isn't the same as theft, as any artist will tell you: Michelangelo spent a lot of time studying the Belvedere torso, but no one would call his Moses a fake. To extend this flattering analogy to reporters, there would have been nothing unoriginal in tracking down a few leads that Mollenhoff's story should have brought to mind.

The labor story is a case in point. Although high labor costs are one of the biggest reasons for astronomical yearly Pentagon budgets, the press has done little to expose them. Partly this is because reporters are reluctant to criticize huge labor increases if they can't also reveal huge management salaries—information government contractors withhold from reporters on the grounds that it's "proprietary. " But this "proprietary" claim is pure arrogance; why should we take these managers' word that their salaries are in line with the Defense Department's contractual guidelines when all the evidence indicates contrary? Rather than bow to this dubious claim, reporters should be digging into this matter.

Another rich area for reportorial mining is the DCAA itself. The evidence provided by Spanton's case suggests that this agency is not the most aggressive watchdog in the federal government. Call it sour grapes, but on one of the all-too-rare occasions when the GAO took a look at defense contracting, it left a definite impression that George Spanton isn't the only DCAA auditor who is having trouble getting hold of contractors' records, even from the Pentagon's own procurement officers. According to a 1979 GAO report, "one procurement contracting officer said he considered the records to be internal contractor documents that are not necessary for evaluating contractor proposals. " Isn't there a story there?

Ask a reporter why he didn't pursue these leads and he's likely to tell you they just don't match up to, say, a high-tech weapon failure story. Hardware is what really excites his editors, he'll tell you, and the only hardware in the Spanton story was a lot of spare parts, which sounds hopelessly nickel-and-dime. The respectable press has paid more attention to the "spare parts" angle of the Spanton story than any other, but that's largely because it was prepackaged by a government official—in the Hancock report and more recently in a Pentagon inspector general's report—and even then, the reporting was unenthusiastic. But a little imagination would have helped overcome this apathy: one spare part may not be worth much, even if it is overpriced by a factor of five, but what about a whole lot of spare parts? A. Ernest Fitzgerald, the Air Force whistleblower who last year was reinstated in a job he lost during the Nixon administration after he called attention to cost overruns on the Lockheed C-5A transport, offered "20-20" a pretty good explanation for why spare parts matter. "You've got to remember that Mr. Gillette didn't get rich selling razors, " says Fitzgerald. "He got rich selling blades. "

There are two final ways in which the press corps revealed itself, in its failure to pursue the Spanton story, to be trapped in respectability: in its regard for the paper Mollenhoff works for, and the source he was dealing with.

The newspaper, the *Washington Times*, is owned by followers of the Unification Church and its leader, the Reverend Sun Myung Moon. You would think that Mollenhoff's fellow reporters would have read one or two of his pieces on George Spanton and concluded that this was a story much too important for a paper owned by a bunch of Moonie crackpots. Instead, their logic has been a little different: *because* the stories have appeared in a paper owned by the Moonies, reporters have felt free to ignore it. This seems less peculiar when you understand that most reporters feel pressure to cover not stories that receive the least dissemination in obscure papers like the *Washington Times* but stories that receive the widest dissemination in prestigious newspapers like *The New York Times* and *The Washington Post*. For most journalists in this country, these papers certify what's really "news." Had the story appeared in either paper, editors would no doubt be hounding their reporters to get on the story. But whose editor regularly reads

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the *Washington Times*? One would expect that Ben Bradlee, the executive editor of the only direct competitor of the *Washington Times*, would make some effort to read it, if only out of *noblesse oblige*. But Bradlee had this gracious comment for *The Post* recently: "It doesn't seem to me I have to read it to keep up. I read it more out of curiosity—never out of necessity."

Somewhat more complicated is the risk to a reporter's reputation posed by government whistleblowers. A whistleblower is someone who says that something is wrong with his organization that the public doesn't know about. The public doesn't know because the organization's leaders are concealing the facts and because the regular press coverage of the agency has failed to uncover them. A reporter siding with a whistleblower thus takes on not only the leaders of the whistleblower's organization—the sort of people likely to dine with his editor or publisher—but also his colleagues, who have either missed the story or concluded that the whistleblower's beef isn't newsworthy. By writing a story about a whistleblower, a reporter is saying, "This person is right and yet he is being ignored." That's a frightening step to take.

It's frightening even for those few reporters who *aren't* afraid to more boldly propose better ways of doing things, for taking on a whistleblower isn't just taking on a cause, but also taking on the promoter of that cause. Whistleblowers are invariably subject to some degree of persecution from their superiors, whether it be demotion, firing, isolation, or, in Spanton's case, unwanted transfer. In large bureaucracies, such harassment can be achieved through byzantine methods that may magnify and even distort a whistleblower's feeling that the system is rigged against him. As this feeling, rational or irrational, takes hold, a whistleblower can start to act peculiar, and may even retaliate in extreme ways—like saying something that betrays hatred of his superiors or self-pity. Once he's under press scrutiny, any slip like that can be fatal, allowing the opposition to write him off as pettily resentful or maladjusted—hardly the sort of person a serious journalist would turn to for a diagnosis of governmental ills.

There's no evidence that George Spanton has let harassment get to him; by all reports, he is a well-adjusted bureaucratic infighter. But at least one reporter I spoke with in the course of researching this article confessed to me that he just didn't know about George Spanton. Maybe he was a lazy bureaucrat who felt like spending his sunset years in Florida. He certainly didn't write audits that read like other people's audits; they were "screeds." How was he to know whether the guy was for real?

There is, of course, no prescribed way to tell—no reliable method of separating the cranks from the heroes, the McClendons from the Mollenhoffs—and so convention generally dictates that the smartest thing to do is ignore such people and go on about your business. Reporters will deny this, telling you how they stood by Ernie Fitzgerald throughout his 13-year struggle. But a look at the stories they wrote in 1968 and 1969 when Fitzgerald's persecution began will show that most of them didn't touch the story in the beginning. When it comes to those who are blowing the whistle right now, the respectable press is usually the last to recognize them. (The one notable exception to this rule is the case of Franklin C. Spinney the defense whistleblower who, to *Time*'s great credit, was featured on its cover one week last winter. But you will recall that this was definitely not one of those weeks *Newsweek* had the same cover, nor has Spinney been celebrated by the networks or the major newspapers.)

The conventional approach of respectable journalism prevents embarrassment, but an unfortunate side-effect is that it prevents originality as well. This is as true for the investigative reporter as it is for the corporate manager who favors financial stability over the perils of entrepreneurialism. Reporters don't think of themselves as timid souls, and in many ways they aren't; within the boundaries of what they perceive to be respectability there's room for a fair amount of courage—but not for much originality. Instead of following the safe paths of their predecessors, we need more reporters who judge the merits of potential stories, not on the basis of convention, but on the basis of their own original thinking.

If reporters had thought about the Spanton story, they might have realized that Clark Mollenhoff's unseemly enthusiasm was focused on a pretty good story. If they'd thought a bit further they could have guessed at likely promising developments in the story that could have been their own. And if they'd thought long and hard about Spanton and what he had to say, they might have come to a reasonable evaluation as to his reliability, rather than written him off as a risk. Instead, they maintained their chilly distance, waiting for someone with more authority to tell them that it all mattered. ■

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Why Gandhi Drives The Neoconservatives Crazy

by Jason DeParle

A year ago the story of Mahatma Gandhi was fast fading from memory. Those who were old enough might remember him from the newsreel footage that flashed in 1940s movie theaters—but recall little beyond the fact that he somehow brought the British empire to its knees. For the most part, Gandhi's fame had faded with the passing of time. He was just a foreign name connected to a distant land and a previous era.

Of course Richard Attenborough's film changed all that. Suddenly Gandhi was once again splashed across the pages of the world press. He has appeared in the film sections, in the style sections, on the op-ed pages, and in the Sunday magazines. Biographies have been rereleased, and foreign correspondents of an earlier day have gone digging for their notes. As an advocate of small-scale economics, Gandhi presumably would approve: a cottage industry has been spun out of Gandhiana.

As the reappraisals stack higher and higher, one would hope we'd all find ourselves getting closer to the elusive truth about one of the few indisputably great men of this century. Instead, however, we seem to be getting closer to something more mundane: the preoccupations and illusions of the left and the right. A review of the discussions and debates that Richard Attenborough's film biography has inspired provides a useful Rorschach of these ideologies, and some insights into where both camps go wrong in their view of contemporary America—to say nothing of colonial India.

The commentary ranges across a wide terrain. The liberal *Progressive*, for example, concluding that "Gandhiism. . . is relevant," argued that among the film's many messages is "the knowledge that diet is crucial to well-being." Given Gandhi's affection for such delicacies as groundnut butter and lemon juice—and his many nearly suicidal fasts—the *Progressive*'s conclusions seem questionable. Ralph Nader, meanwhile, appropriated Gandhi on behalf of the consumer movement: never mind that Gandhi's asceticism had distinctly non-consuming proclivities.

Of course, most of the Gandhi discussion has focused on "peace." "In these days of raised consciousness about the nuclear threat," says *McCall's*, the film "speaks to the power of peace." *The Christian Century* had a similar thought: "It is good to be reminded of Gandhi's beliefs when the possibility of nonviolent conflict resolution as a substitute for war requires our serious consideration." So did *Newsweek*: "At a time of deep political unrest, economic dislocation, and nuclear anxiety, seeing *Gandhi* is an experience that will change many hearts and minds." Now *McCall's* doesn't reveal what it thinks the film says when it "speaks to the power of peace." Nor does *Newsweek* say what changes will come to our hearts and minds. But Colman McCarthy, a Catholic liberal, gets more specific. Writing in *The Washington Post*, he claims, "The relevance of *Gandhi* is that the moral force of nonviolence is always stronger than its opposite, the physical force of violence." *Gandhi* provided music to the liberals' ears. The weak triumph over the strong, good over evil, righteousness over injustice. Antiracism, anticolonialism, and nonviolence prevail.

On the other hand, a chorus of conservative voices has attacked the movie and attacked the man. Columnists like Patrick Buchanan and Emmett Tyrrell have joined the fray. The strongest words, however, have come from Richard Grenier, film critic for *Commentary*. Not satisfied with simply attacking the movie and the man, Grenier in a March article for the magazine went on to vilify all of India, all of Hinduism, and then to flail at a target closer to home, and close to the hearts of his fellow neoconservatives: American liberals. Grenier's 13,000-word tirade was widely reprinted and subsequently released as a book dedicated to Norman Podhoretz and Midge Decter.

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If most debates about Gandhi tend to be passionate, this one has been particularly so. This is because the film touches upon issues prominent now in American politics. The release of the film comes at a time when the United States is engaged in a rancorous debate with itself about various issues involving questions of force. The legitimacy and the effectiveness of American military power underlay the debate about the United States's involvement in Vietnam and now underlie the debate about what to do in Central America. The fear that America has too much force fuels the passions of nuclear freeze supporters, while the fear that America has too little guides their opponents. The debate about *Gandhi*—and Gandhi the man—thus quickly becomes a debate about American politics.

Puff Job for Pacifism

I have watched these salvos fly back and forth with special interest because (I should confess) I am a Gandhi admirer. Remembering my own excitement in college while studying nonviolence—and when I had a chance to visit the Gandhi national museum while spending a summer in India—I can understand why the film has provoked such enthusiasm. Who can doubt it? The story of the world's greatest non-violent revolution is a magnificent one. Einstein got it right when he said, 'generations to come. . . will scarce believe that such a one as this, ever in flesh and blood walked upon this earth. '' Perhaps it's Gandhi's greatness that makes him such a polarizing topic of discussion. For the greatness tempts his admirers (myself included) to make him even greater, purer, less ambivalent, and less complex than he was, and to extend his solutions to situations where they may not work. The good about Gandhi was so sublime, and he embodies so many of our most idealistic hopes, that we want to tolerate no ambiguities and recognize no blemishes. The temptation to reduce (and that's the correct verb) Gandhi to parable is often irresistible. But surrendering Gandhi to the realm of myth inevitably invites a concentrated counterattack, against not only the sanctified Gandhi but the historical Gandhi as well. Too often, then, Gandhi becomes an all-or-nothing proposition, pitting those who would deify him against those who would destroy him.

The debate about *Gandhi* starts with an argument about the film as a film. The film's strength lies in its excitement and its ability to convey emotion; it wrenches a response from even the most coarsened viewer. Take, for example, the scene depicting Gandhi, the young barrister, being thrown from a segregated South African train. This specific story is well known, and expulsion from segregated quarters has become almost a cliche about racism. Yet when Gandhi lands with a thud upon the station platform, the viewer feels the sting, almost like discovering racism anew. *Gandhi* has that ability to summon outrage and empathy.

Attenborough's depiction of the famous 1930 march on the Dharasana Salt Works provides one

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of the film's most powerful moments. United Press correspondent Webb Miller's often-quoted account of the scene is worth recalling: "In complete silence the Gandhi men drew up and halted a hundred yards from the stockade. A picket column advanced from the crowd, waded the ditches, and approached the barbed-wire fence. . . . Suddenly, at a word of command, scores of native policemen rushed upon the advancing marchers and rained blows upon their heads with their steel-shod lathis. Not one of the marchers even raised an arm to fend off the blows. They went down like ten-pins. From where I stood I heard the sickening whack of the clubs on unprotected skulls. The waiting crowd sucked in their breath in sympathetic pain at every blow. . . ." I had read and reread Miller's strong prose, and I knew the scene was coming. But I didn't cringe any less when it flashed on the screen, and others around me cringed too. Attenborough's re-creation of the scene turned theaters full of people into crowds who "sucked in their breath in sympathetic pain." *Gandhi* has many such powerful moments and they make the film memorable.

Skipping the Gita

But in many ways *Gandhi* is what journalists call a puff job. The film puts forth a "saintly" Gandhi without ever questioning whether that saintliness was real, or even desirable. George Orwell's appreciative but critical depiction of Gandhi, written in 1949, is worth recalling: "Of late years it has been the fashion to talk about Gandhi as though he were not only sympathetic to the left-wing movement, but were even part of it. . . . But one should, I think, realize that Gandhi's teachings cannot be squared with the belief that man is the measure of all things. . . . Gandhi's basic aims were antihuman and reactionary. . .it is not necessary here to argue whether the other-worldly or the humanistic ideal is 'higher.' The point is that they are incompatible."

The film doesn't seek a portrayal of Gandhi as a person with the contradictions, ambivalences, and failures that all people share; it projects a candidate for canonization. In Gandhi's case, the "flaws" (as we in the West might see them) and the "saintliness" both stemmed from the same source: Gandhi's fierce religious devotion.

The fervor behind his desire for moral perfection had its darker underside. Gandhi harbored an authoritarian streak which demanded that others adhere to his own code of morality and treated them harshly when they failed to measure up to that code or rejected it altogether. Members of his ashrams, for example, were subjected to strict discipline on matters of sex, diet, prayer, work, education, clothing, and other matters. He distrusted close human relationships, viewing them as a source of temptation, and an impediment to his spiritual aspirations.

The burdens of Gandhi's moral fervor often fell most heavily on his own family. He imposed celibacy on his wife and children, opposed his children's education and marriage, and insisted that they join his campaigns, landing them in jail. Mahatmaship had the harshest effect on Harilal, Gandhi's eldest son, who became estranged from his father, converted to Islam, took to embezzlement, and died in drunken poverty. The film leaves the consequences of Gandhi's spiritual imperatives for the lives of his friends and families unquestioned. It also leaves unquestioned the consequences of those imperatives for public life. Gandhi's hunger fasts, for example, always carried with them the hint of blackmail.

The failure of the film to question the desirability of Gandhi's ascetic ideals is a minor fault. Its failure to question the limitations of nonviolence is a major one. *Gandhi* is a puff job for pacifism, even more credulous about nonviolence than was Gandhi himself. The film ignores Gandhi's own very real vacillations and contradictions with regard to nonviolence as an absolute. It makes no mention, for example, of the fact that Gandhi endorsed three British wars and himself attempted to enlist (he led an ambulance corps to support the war when the British refused to have Indians as soldiers in South Africa).

The most troubling issue raised by *Gandhi*, of course, is the effectiveness of nonviolence in confronting a Hitler, to which the film devotes a single line. Asked how nonviolence could stop the armies of Nazi Germany, the film Gandhi responds simply that evil must be opposed wherever it is found, and disappears from the screen. The historical Gandhi remained unable to come to grips with the Hitler question, and at various times advised the British to surrender and the Jews to commit collective suicide. (In 1941, Gandhi insisted to the British that "Hitler is not a bad man.")

The film concludes with the moral of the story spelled out, in case anyone should miss it. "Tyrants and murderers can seem invincible at the time, but in the end they always fall. Think of it. Always." The message is repeated twice. These

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Not satisfied with simply attacking the movie and the man, Grenier went on to vilify all of India, all of Hinduism, and then to flail at a target close to the hearts of his fellow neoconservatives—American liberals.

are the last words of the film, and they are never questioned. It is an uplifting thought, but poor history—very much like Colman McCarthy's "the moral force of nonviolence is always stronger than its opposite, the physical force of violence," another noble sentiment that ignores the reality of places like Indochina, Afghanistan, and Central America.

Homespun Obsessions

Given these weaknesses in the film and even the man, it's hardly surprising to see a neoconservative critique appear that takes exception to the liberal reaction to *Gandhi*. But Grenier's review wasn't a critique so much as it was an epileptic seizure. The virulence of Richard Grenier's attack on the film and even the people of India seemed to know no bounds. What's all this stuff about nonviolence? "Hindus," says Grenier, "are among the most bestially violent people on the globe." What's all this stuff about Gandhi as a saint? He "was a man of the most extreme, autocratic temperament, tyrannical, unyielding, even regarding things he knew nothing about, totally intolerant of all opinions but his own." He "retained an obvious obsession with excreta." He dwelled in a "permanent state of semen anxiety." Gandhi, says Grenier, "believed in a religion whose ideas I find somewhat repugnant." Grenier continues at this moderate pitch for his entire review.

It is tempting to perform a point-by-point exegesis of the distortions, digressions, and deletions that characterize this review, but a few examples will have to suffice. For instance, Grenier first attacks India for its lack of sanitation. Then he attacks Gandhi's sanitary efforts for constituting a "morbid preoccupation with filth." He criticizes "swaraj" (home rule) as an idea "originated by others. " Then he attacks Gandhi's doctrine of "satyagraha" (truth-force) for being something "he made up himself." Grenier even hints that the spokesman of nonviolence murdered his wife. "When Gandhi's wife lay dying of pneumonia and British doctors insisted that a shot of penicillin would save her," he writes, "Gandhi refused to have this alien medicine injected into her body and simply let her die." Grenier fails to mention that Kasturbai Gandhi already lay on her deathbed, that oxygen and several doctors had been summoned but had failed to revive her.

Grenier's treatment of Hinduism is just as shoddy. "With the reader's permission," he writes, "I will skip over the Upanishads, Vedanta, Yoga, the Puranas, Bhakti, the Bhagavad Gita. . ." and so forth. Grenier goes on to devote much space to the practice of "suttee" (widow-burning), a practice officially abolished 40 years before Gandhi's birth—and one Gandhi specifically deplored. Perhaps ("with the reader's permission") Grenier would discuss Christianity by skipping over Genesis and Exodus, the Psalms, Matthew, Mark, Luke, and John, and focus instead on the Crusades and the Inquisition—or the practice of, say, witch-hunting in Salem, Massachusetts.

What is it that sends Grenier into such a rage? To understand Grenier's reaction, it's necessary to understand neoconservatism. In the words of Irving Kristol, neoconservatism was "provoked by disillusionment with contemporary liberalism," and in many cases with good reason. Neoconservatives were right to argue that liberal reform often carried unintended, and undesirable, consequences. They were right to argue that the American left too often was given to knee-jerk condemnations of America. They were right to argue that some on the left had romanticized communism, revolution, and the Third World. They were right to argue that some on the left had unfairly disparaged the American values of family and the institutions of traditional religion. They were right to argue that America had enemies, and that it needed to be defended.

But the enemy isn't Gandhi—man or movie—and the topic isn't one that calls for a loyalty test, as Grenier would have it. I don't recall a single reference in the film to America. Gandhi never visited America. Perhaps when Grenier watched the British hit 1,516 Indians with 1,650 bullets at

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It is doubly ironic that Gandhi would be the target of a neoconservative attack, because in many ways, he embodies the very values they promote.

Amritsar it reminded him somehow of Bull Connor and My Lai and he saw anti-American overtones. I didn't, as Grenier fears, sniff out "the intimation. . . that we are a society with poorer spiritual values than, let's say, India." Whatever his reasoning, Grenier saw a need to devote the introduction to his book to telling us, "I appear to have been born (primitive and vulgar as this has been made to seem in subsequent decades) extremely patriotic. . . . both my paternal and maternal grandparents. . . framed their Certificates of Naturalization on the wall. . . they pledged their allegiance to the Stars and Stripes with all their hearts. They were Americans." And so it goes: "I at no time, for even a blink of an eye, have admired Moscow, Havana, or Hanoi. . . . I have found all the societies I have visited frankly inferior to our own. " To Grenier, Gandhi can be admired only at America's expense.

This reveals a contradiction in the neoconservative vision of the world. While the neoconservatives are quick to celebrate American values as the best the world has to offer, they are distrustful of the consequences those values may bring. Gandhi understood that the British (and by extension all Western constitutional democracies) are vulnerable to being held up to their own standards. Countries less "good" than Britain (those that lack a free press, constitutional values, respect for human rights) are more readily equipped to handle the "challenge" of men like Gandhi; they might be content with simply putting a Gandhi to death. Gandhi knew the "goodness" of the British (their willingness to be held to their own professed values) was their weak spot.

Neoconservatives seem to fear that America—by braving the perils of dissent and democracy—will be similarly weakened. Part of what presumably makes America "great" is, theoretically at least, its reluctance to use force against other nations. Yet, fearful that standards such as this place us at a disadvantage in the real world, some neoconservatives advocate that America needs to win a war somewhere, to use violence successfully. Their insecurity would have us violate American values—to mirror the hideous brutality of less open societies—in order to preserve them.

It becomes doubly ironic that—of all Third World leaders, of all "revolutionaries"—Gandhi would be the target of a neoconservative attack, because in many ways, he embodies the very values they promote. Neoconservatives value patriotism; Gandhi was a patriot. Neoconservatives believe in community—as did Gandhi. Neoconservatives believe in strict codes of personal morality, restraints on sexuality—as did Gandhi. Neoconservatives believe in respect for the traditional institutions of social and political authority, the church and the state—as, in his own way, did Gandhi.

What Gandhi didn't share, of course, was the neoconservatives' enthusiasm for unfettered capitalism. This points to another contradiction. On the one hand, neoconservatives claim to value service, community, and traditional codes of morality. On the other hand, they endorse the material self-seeking and worldly ambition that is fundamental to the laissez-faire marketplace. Gandhi's hopes for a decentralized, village economy sometimes tended to be utopian but he sensed correctly that industrialism doesn't necessarily promote—and may actually erode—community and traditional morality. A capitalist economy and the values Gandhi held aren't necessarily mutually exclusive; neoconservatives, however, do not even want to concede that they are inevitably in tension. It's almost as if the example of Gandhi—who more fully embodied some of the values that they often simply mouth—reminds neoconservatives of their own contradictions. The reminder seems to enrage them, and rather than assess Gandhi in a rational way, they attempt to dismiss him with lies, half-truths, innuendos, and racial slurs.

This helps explain not only the attack, but also its virulence. Gandhi poses a particularly inconvenient complication of the neoconservative view of the world. Neoconservatives have devoted immeasurable effort to reminding us of foreign

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threats, and urging us to meet them with sufficient resolve and military hardware. To the liberal prejudice that truth always triumphs over force, neoconservatives reply the opposite: that force always triumphs over truth. The real lesson to be learned from the historical Gandhi is that truth may not always triumph, but it sometimes does. Tyrants and murderers may not always fall, but they sometimes do.

A final irony to the great Gandhi debate is that neither the left nor the right—both busy either making grand claims for nonviolence or dismissing it altogether—has paid much attention to where Gandhian tactics may have left their greatest legacy, which is right here in the United States. Speaking in a radio address in 1966, Martin Luther King Jr. paid tribute to the gains won by the civil rights movement by the use of nonviolence:

"The Civil Rights Commission, three years before we went to Selma, had recommended the changes we started marching for, but nothing was done until, in 1965, we created a crisis the nation couldn't ignore. Without violence, we totally disrupted the system, the lifestyle of Birmingham, and then of Selma, with their unjust and unconstitutional laws. Our Birmingham struggle came to its dramatic climax when some 3,500 demonstrators virtually filled every jail in that city and surrounding communities, and some 4,000 more continued to march and demonstrate nonviolently. The city knew then in terms that were crystal clear that Birmingham could no longer continue to function until the demands of the Negro community were met. The same kind of dramatic crisis was created in Selma two years later. The result on the national scene was the Civil Rights Bill and the Voting Rights Act, as the president and Congress responded to the drama and the creative tension generated by the carefully planned demonstrations."

The influence of Gandhi on King was direct and profound; King had studied Gandhi and even traveled to India to meet Gandhi's followers. King's adherence to nonviolence as a standard surely saved the lives of thousands of black and white Americans. And to the extent that racial inequality has been lessened as a result, Gandhi remains a living legacy, one that brought the United States closer towards realizing its professed ideals. Fortunately, someone fell "prey to the pro-Gandhi-what-can-the-decadent-West-learn-from-the-idealist-East propaganda" that Grenier so derides. There's nothing un-American about that. ■

THE WASHINGTON MONTHLY

Journalism Award

for May and June 1983 is presented to

Robert Frump and Timothy Dwyer
Philadelphia Inquirer

Last February a rusting, dilapidated tanker capsized off the Virginia coast, taking 31 men to their deaths. In this painstaking investigation of the accident and its causes, the authors show how ship-owner greed, lax safety enforcement, and misguided federal efforts to protect the U.S. maritime industry from foreign competitors make such disasters all too likely in the future.

Dale Rice
Dallas Times Herald

To determine how well Dallas is teaching its elementary students to read, Rice didn't just solicit the opinions of education bureaucrats and disgruntled parents. Rice visited elementary schools throughout Texas and discovered that students whose teachers broke down complex words into groups of letters—the "phonics" method—did much better than those in systems (such as Dallas's) where the "look-see" method ("See Spot Run") is preferred.

George Getschow
The Wall Street Journal

Getschow interviewed dozens of day laborers and then posed as one to reveal that the temporary labor market is rife with abuses, from dangerous working conditions to unscrupulous bosses whose exorbitant demands for "travel" and "housing" expenses often reduce a laborer's pay to nothing.

The Monthly Journalism Award is presented each month to the best newspaper or magazine article (or series of articles) on our political system. Nominations from any newspaper or magazine in the country are welcome. The subject can be government in its federal, state, or municipal manifestation.

The award for articles published in August will be announced in the November issue. Nominations will close September 15. Nominations should be accompanied by two copies of the article or articles.

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James Fallows
ON POLITICAL BOOKS

Say what you will about Caspar Weinberger, his stewardship at the Pentagon has brought one unambiguous benefit. The prospect of much larger military budgets, and the rhetorical emphasis on sharpening the nuclear force, has led journalists to serve their readers better.

Through most of the seventies, and long before, the reader could expect to find his defense news in three categories. One consisted of a buff's accounts of the latest Reforger exercise in Europe, with little indication of what Reforger was or why it mattered. Another sounded alarm bells about drug use or cost overruns or perks for the generals—or, from a different political perspective, about the Soviets' new Backfire bomber. A third provided a political overview of how various candidates were positioning themselves on the "defense question." The three approaches appeared, in different ratios, in most newspapers and TV broadcasts. None of them did much to help the reader understand the circumstances in which men might fight and machines might be used, and the likely strengths and weaknesses of the American force.

This kind of coverage is still with us. For example: Everyone knows that Alan Cranston is basing his presidential campaign on stopping the arms race and that John Glenn stands for more "strength" than the other Democrats. But who would know, from reading the papers and watching TV, *what* Cranston would do to make us safe or Glenn to make us strong?

While defense journalism still has its blind spots (see "The Pentagon Press: Prisoners of Respectability," page 40), the trend is upward. *The Washington Post*, *The New York Times*, and *The Wall Street Journal* have invested their considerable resources in explaining the military to their readers—but so have the *Dallas Times Herald*, *The Los Angeles Times*, the Cox chain, *The Boston Globe*, and many other less well-known papers. Within the last nine months, both *Time* and *Newsweek* have published long cover stories that wrestled with the basic choices in defense. One need not agree with the conclusions reached in any of these stories to welcome their appearance. They spring from a commitment to the best public service that journalism can render: helping citizens understand the public choices that will be made in their name. Two recent books—Andrew Cockburn's *The Threat* and Fred Kaplan's *The Wizards of Armageddon**—both admirably perform that service. The books may run the risk of being categorized as works of the left—and therefore be dismissed without rebuttal in the military world. This is especially so for Cockburn, who can be stigmatized as 1) a foreigner, 2) the product of a left-wing family, and 3) the possessor of a light, witty style. This would be a shame, because he and Kaplan both have lessons to teach even those readers who do not share their overall political outlook. Each has remedied important shortcomings in our public knowledge about defense.

I should point out before going further that I had read drafts of several of Cockburn's chapters and provided a book-jacket comment expressing my admiration. Also, in a chapter I had not previously read, Cockburn takes my side in an argument arising from a book I had written on the American military. The reader should be aware of these circumstances; but the reason I am praising Cockburn's book is that I respect what he has done.

Cockburn's innovation seems obvious but is rarely undertaken: he has examined the force against which ours, in the "worst-case scenarios," might be used. In every military briefing on "net assessment"—the comparison of Soviet-bloc and NATO forces—there comes a moment when the briefing officer lays down his pointer and says, "Now, we don't believe the Russians are ten feet tall." This ritual disclaimer is designed to betoken calm clear-headedness about the threat. ("The Threat," in military briefings, is a shorthand reference to Soviet and Warsaw Pact forces.)

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**The Threat: Inside the Soviet Military Machine*, Andrew Cockburn, *Random House, $16.95. Wizards of Armageddon*, Fred Kaplan, *Simon & Schuster, $16.95.*

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Cockburn is not claiming, to use the same imagery, that the Russians are two feet tall, but he is asking that we apply to their military the same critical scrutiny we should be applying to our own. Instead of viewing the Soviet military as an abstraction, we should examine it as a real organization of men and machines, whose specific strengths and vulnerabilities may give us a clearer idea of where and how to respond.

Cockburn's information, which is too richly detailed and absorbing to adequately hint at here, concerns both the machines and the human beings of the Soviet force. While Soviet habits of procurement are often different from ours—instead of erring in the direction of putting too much into a weapon, they often err in the direction of machines that are shoddily unusable—he shows that the traits of both procurement bureaucracies are often the same. Most important, bureaucracies tend to design weapons that serve their own organizational interests—career, budget, advancement—and not necessarily ones well adapted to the realities of the field. Cockburn says that these bureaucracies view the Soviet soldier as so much cannon fodder, and design weapons accordingly. Soviet tanks, for example, seem to reflect a bureaucratic "design philosophy" emphasizing low, close-to-the-ground profiles. He describes the result:

"Seen up close, Soviet tanks project an air of sinister elegance. Like most Russian weapons, they look dangerous, unstoppable. But once one climbs inside, the perspective changes. . . . The amiable GIs [who were showing Cockburn a captured Soviet tank] pointed out that the Soviet designers appeared to have gone out of their way to make even this cramped space as dangerously uncomfortable as possible. The inside was festooned with small fittings and brackets. Unless the crewmen held on very tight, they were bound to suffer gashes and bruises, or worse. Soviet crewmen often get severe spinal and kidney injuries in this way."

Cockburn obtained some of his information about weaponry from another seemingly obvious but neglected source. Over the last ten years, tens of thousands of Soviet emigres have come to the United States, and many of them have settled in Brighton Beach, Brooklyn. Cockburn interviewed extensively among these "Sashas, Igors, Genadys, and Vladimirs about the lives they lived in bases and garrisons on the Chinese frontier, at antiaircraft missile sites on the coast of the Baltic Sea." He recounts the amusing-if-it-weren't-appalling episode in which Cyrus Vance, previously privy to all the costly secrets of the American intelligence network, took a $3 cab ride in Manhattan in 1982. The driver was an emigre who had been in a Soviet tank unit. "It was Vance's first opportunity to hear a description of the Soviet threat from the inside."

Cockburn says that the CIA and the Defense Intelligence Agency initially made a stab at emigres but soon gave up. It was hard to find enough translators and, in any case, the interrogators were mainly interested in "hard facts" such as names of unit commanders rather than judgments about training, strategies, and morale.

Cockburn properly stresses the human chemistry of the military units, which is what military historians so often underscore as the decisive, intangible factor in combat. He describes rituals among Soviet enlisted men similar to fraternity hazing, in which each cohort brutalizes the one below it—which, in turn, gets its revenge on the next group. This practice is not unknown in American military academies, but it is universally considered to be the wrong way to motivate a fighting force. Cockburn says that the traits we accept as debilitating in the rest of Soviet society—the rigid planning, the ethnic tensions, the privileged elite, the alcoholic nihilism—apply to the military as well. This does not mean, and Cockburn does not imply, that the troops would be anything less than heroic in defense of Mother Russia. But it does affect calculations of what would happen if the Warsaw Pact attempted to roll across Western Europe.

Fred Kaplan's subject in *The Wizards of Armageddon*—American nuclear strategy—is more familiar than Cockburn's, but his treatment is no less refreshing and adroit. Time and again in the last decade—with James Schlesinger's counterforce doctrine during the Ford administration, with Jimmy Carter's Presidential

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Directive 59, and with the Reagan administration's talk about "prevailing" in a sustained nuclear exchange—the public has been warned that "drastic" and "fundamental" changes in nuclear policy were underway. For the first time, many news stories said, the nation was abandoning deterrence and contemplating a "war-fighting" strategy. But if the plans changed that dramatically the first time, how much drama could be left for the second and third? The answer, as Kaplan carefully explains, is that each episode was part of an evolution that began more than 30 years ago.

Kaplan tells his story through the personalized history most familiar from David Halberstam's *The Best and the Brightest* or Robert Caro's *The Power Broker*. It is an approach easily abused, by writers who overstate the importance of their central figures or who want to grind an ax. But Kaplan's choice seems entirely right, for two reasons.

One is that his execution is so skillful. As a narrator, Kaplan shows control and finesse. He begins with Bernard Brodie, father of the nuclear strategists, and broadens his scope to include Albert Wohlstetter, Herman Kahn, William Kaufmann, Thomas Schelling, and other "wizards"; Curtis LeMay, Tommy White, and the other significant military figures of the early nuclear age; and the presidents, from Truman to Carter, who sometimes rebelled against and sometimes accepted the options presented by the nuclear strategists' fraternity. I am not in a position to judge his perspective on the characters from the forties and fifties; his tone, however, is one of sober distance.

Although he does not trumpet it in the book, the portraits are enriched by a number of research coups that Kaplan scored, using the Freedom of Information Act. On the strength of the recently declassified memos and planning papers he obtained, Kaplan shows how the strategy changed from the days of "nuclear scarcity," when the U.S. was worried about building enough bombs and therefore aimed its few where they'd do the most damage, to the era of such wild nuclear "abundance" that planners were wrapped up in otherworldly speculation about whether tens of thousands of warheads from one side could destroy tens of thousands on the other in a surprise attack. Most relevant to the "counterforce" arguments, Kaplan traces the evolution of this idea, from its emergence in studies by Bernard Brodie in the early 1950s to its effect on targeting plans late in the decade.

The other reason Kaplan's approach succeeds is that in this field, more than most other areas of public affairs, personalities *are* policy. People may argue over David Stockman, but eventually they can examine the effect of his ideas; they may love or hate George Patton, but finally they can judge his record. There can be no empirical test of Brodie's or Wohlstetter's theories—unless they are proven to have failed by the outbreak of a war. Therefore, the force of the contending personalities, their dexterousness at theoretical argument and political positioning, could shape the doctrine under which these weapons of destruction are deployed.

If there is a "point" to Kaplan's book, it concerns the gap between the beautiful clarity of nuclear theory and the deep uncertainties about weapons themselves. He says that a study by Albert Wohlstetter in the mid-fifties, which argued that our nuclear force was vulnerable to a Pearl Harbor-like attack, set the model for strategic analysis. "The study was among the first attempts to abstract the 'nuclear exchange,' to place it . . . in a rarefied universe of its own, apart from the world of political leaders and their appreciation of horrible risk." It has consistently been the political leaders, Kaplan says, who have pulled the theorists back to earth—except, he argues, during the Reagan administration, when "the strategists in power treated the theory as if it *were* reality."

By encouraging their readers to move past abstraction, past comfortably pat theories, to an examination of the uncomfortably complicated realities, Cockburn and Kaplan have served the public well. They have also served their colleagues, by providing examples of how journalists should explore other public issues. ■

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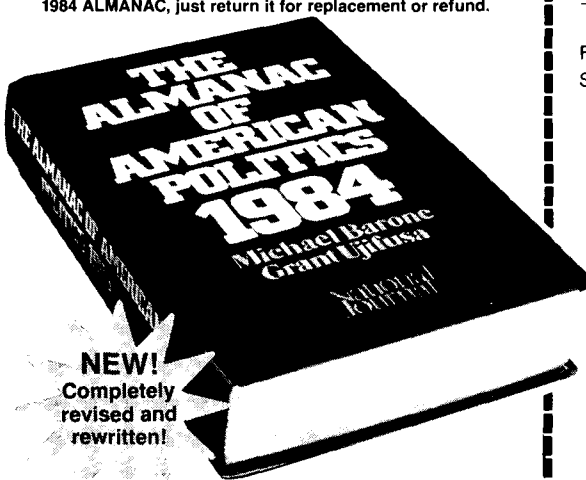

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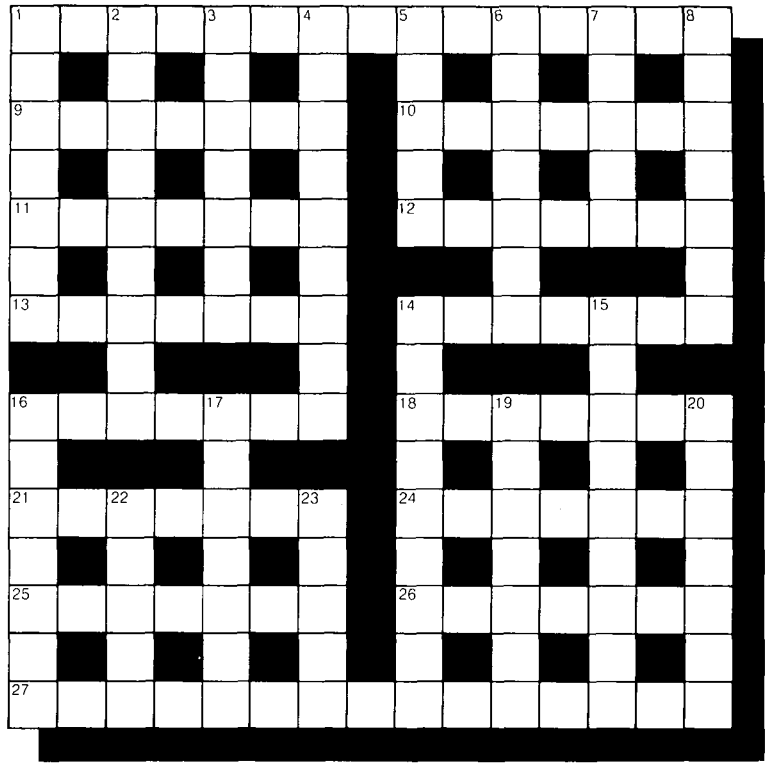
POLITICAL PUZZLE



by John Barclay

The numbers indicate the number of letters and words, e.g., (2,3) means a two-letter word followed by a three-letter word. Groups of letters, e.g., USA, are treated as one word.

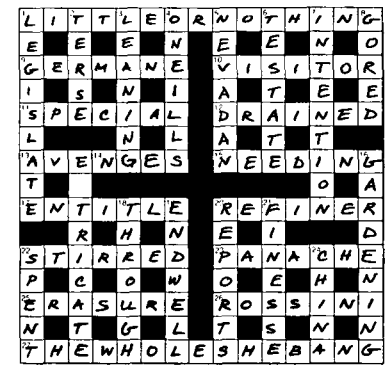
ACROSS

1. First course for 1984 hopeful? (7,8)
9. Jewish jeans-wearers? (7)
10. Williams or Smith, for example.(7)
11. Dastardly bilge on the make. (7)
12. Made an effort and awkwardly stewed about an article. (7)
13. Stewed about dog ruse. (7)
14. Tom rode wildly and arrived by automobile. (7)
16. Generously scattered metal mixture in train. (7)
18. Ask for drunk taking in 51 and 101. (7)
21. Pleasant Air Force story. (7)
24. Stop sign design makes cat go on. (7)
25. Leader displayed no charm. (7)
26. Disturbed groin in doing household task. (7)
27. Let creepy one air oddly 1979 and 1983, for example. (3-8,4)

DOWN

1. Sampling fifty-one (around fifty) in second half of game. (7)
2. Sorted over-tinny supplies. (9)
3. Bestain messy French resort. (7)
4. Fixed dry eyes at past. (9)
5. Attaches burden, we hear. (5)
6. Something wrong in metal mixture. (7)
7. News in eleven-thirty edition. (5)
8. Five hundred followed fluttering eyelid and and quit. (7)
14. Tilled soil minus WWII figure. (9)
15. Acknowledge differently cozier little general. (9)
16. Guide produced brief post office drama. (4,3)
17. Left Kansas town? (7)
19. Lend two bucks for disappointment. (7)
20. After tea, Reagan scrambled for a bird.
22. Fight to distribute hot stuff? (5)
23. Principle: reorganize the Illinois Central first. (5)

Answers to last month's puzzle:



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POLITICAL BOOKNOTES

Attlee. Kenneth Harris. *Norton,* $25. A Labour party leader, widely considered a political liability, topples a conservative prime minister who's coming off a brilliant war victory and goes on to further the cause of British socialism. This may have been Michael Foot's dream, but it was Clement Attlee's reality. Attlee led Labour to a landslide of Thatcher-like proportions in 1945 and held office until 1951, presiding over the destruction of the British empire and the construction of her welfare state.

Given the flood of biographies of Attlee's rival, Winston Churchill, it is surprising how little attention has been paid to the man who, for the first time, established Labour as a plausible party of English government. Harris's fine portrait helps redress the balance. One of England's best journalists, Harris strikes the right mixture of praise and criticism. He properly credits his subject for the British withdrawal from India while documenting his faults in handling the withdrawal from Palestine. And he understands the irony in Attlee's decision to develop an independent nuclear deterrent for Britain, a choice the Tories now must defend vigorously against Labour's unilateralists.

Unlike his successors in today's Labour party—who have sold out their constituency for the sake of sloganeering ideology—Attlee appreciated that a compromising socialist government would achieve far more than uncompromising socialist opposition. Harris has this moving conclusion: "Aiming for radical change, [Attlee was] ready meantime to accept reform. . . A moral society was the end—socialism was only the means. Attlee would have preferred to live in a moral society led by aristocrats rather than live in an immoral society led by collectivists. . . But he led the Labour party on the principle that unless you can carry opinion with you the party, its programme, and its principles will perish. "

This reads beautifully. It also reads like an epitaph for the contemporary British Labour party.

—Laurence Grafstein

Flashbacks. Timothy Leary. *Houghton Mifflin, $15.95.* This book will confirm Midge Decter's worst fears about the sixties. Leary unintentionally reveals the central motive behind the cultural upheavals of that decade: the desire to get laid.

The guru of psychedelics recounts the drug sessions he pioneered at Harvard and his subsequent expulsion from the university, arrests by federal drug authorities, escape from prison, and exile overseas. But what comes across clearest in this interesting but gracelessly written memoir is the ease and regularity with which Leary picks up gorgeous strangers. Frankly, it's hard not to get a wee bit jealous of Leary's descriptions of lolling around stoned on swank Mexican estates or jetting off to Tangiers to turn on William Burroughs.

What's truly astounding is how Leary justified his LSD parties as "research" to academic authorities for so long. But Leary was no hypocrite: he appears to truly believe he was a scientific pioneer exploring "inner space." He thus resembles a middle-aged professor from a Peter DeVries novel, chasing after women for his Harvard Psychedelic Drug Research Project sponsored by the Center for Personality Research.

Despite his claim that he supported only responsible, controlled drug use, Leary's Pied Piper role was a double-edged sword: acid experiments brought a welcome challenge to conventional institutions for many young people, but tipped a significant minority into madness. It's a legacy he doesn't acknowledge here.

—Art Levine

Miranda: Crime, Law and Poltics. Liva Baker. *Atheneum, $22.95.* In her examination of the case of *Miranda vs. Arizona*, Baker assumes that every right-thinking person knows that the decisions of the Warren Court were not only correct, but inviolable constitutional principles. Her subsequent portrayal of all opponents of the excessive protections of criminals as narrow-minded, 19th-century thinkers who advocate interrogation-room torture belittles the subject and fails to address seriously such questions as why not punish those who obtain evidence illegally, instead of freeing the guilty who were convicted by such evidence?

—Kurt Eichenwald

Politics and Money: The New Road to Corruption. Elizabeth Drew. *Macmillan, $11.95.* In this expanded and revised version of her two-part series in *The New Yorker*, Drew details the recent explosion of federal campaign spending that has become "the domestic equivalent of the arms race."

Every reader may not come away convinced the Republic is about to crumble, but Drew's detailed reporting leaves no doubt that there are enormous problems created by the growing rivers of money flowing to congressional and presidential campaigns. For instance, she takes readers behind the closed doors of the Ways and Means Committee, where last year Democrats argued in caucus against taxing an industry—independent oil—that had promised contributions to Democratic candidates.

One wishes for the sake of balance that Drew would discuss the disappointment of some of the

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big-spending lobbies over their disastrous performance in the 97th Congress. Despite expensive, well-coordinated campaigns, they lost efforts to water down federal insecticide regulations, the Clean Air Act, and the Clean Water Act. They also lost fights for regulatory reform legislation and a bill to exempt professional associations from FTC jurisdiction.

Drew's final chapter briefly sketches possible solutions to the vicious campaign spending spiral: federal financing, further limitations on PAC contributions and spending, and prohibition of paid political advertising on television combined with providing free air time to all candidates. Though they may have some value, these proposals, gleaned from interviews with Archibald Cox and Fred Wertheimer of Common Cause, are subjected to little scrutiny. One wishes Drew relied less on her tape recorder and applied more of her own analytical skills in exploring their complexities.

—Tom Hamburger

Short Circuit. Michael Mewshaw. *Atheneum, $13.95.* "Although I had no desire to retreat to the childish myths that dominate most writing about sports," writes Michael Mewshaw early on in *Short Circuit*, "I expected to discover a less complex world than the one I inhabited. I imagined a career in tennis. . . involved little compromise, no ambiguity, no troubling shades of gray, just stark yet reassuring black and white. The ball was in or out. . . . You won or you lost. If you were better than somebody you could prove it. . . . Reputations weren't bestowed by friends, connections, and tax-free endowments. . . . What purer, more straightforward meritocracy could be imagined?"

Well, that's not quite the way it is, as Mewshaw discovers to his (allegedly) growing shock and disillusionment. *Short Circuit* is, more or less, a diary of six months spent on the men's professional tennis circuit, but there is surprisingly little in it about the actual matches Mewshaw saw during those six months. Instead it is full of revelations of players' "tanking" (i.e., throwing) matches; of under-the-table appearance money for the top stars; of purse-splitting; and, most shameful of all, of preferential treatment—both on and off the court—given to the handful of players who can draw crowds. This treatment includes the decidedly unmeritocratic practice of making sure that the stars get the benefit of any close calls (and some that aren't so close) so that they'll be back to play another day (and tournament officials will be assured that the stands will be full). Tennis, it turns out, is a pretty seamy sport.

This is not Watergate, to be sure, and Mewshaw does not attempt to portray it as such. For one thing, his portrait of himself is not as a relentless muckraker, in the Wood stein mold, but rather as a wandering naif, who just happens to stumble into corruption when all he wants to do is watch some good tennis. He has written this book in such an engaging manner that it becomes fun to watch the scales slowly fall from his eyes. I don't know how much of this persona is for real and how much is literary device, but the result is that Mewshaw has given us a first: the charming expose.

On the other hand, even if it isn't Watergate, if you care at all about sports, you can't help being offended by what Mewshaw has stumbled into. (You also can't help wondering why it took a non-tennis writer to tell us about it.)

—Joseph Nocera

Three Plus One Equals Billions: The Bendix-Martin Marietta War. Allan Sloan. Arbor House, $15.95. This book goes beyond the usual criticism of "tiers-of-tender" offers and "scorched-earth" strategies to scrutinize the corporate culture that lay behind last fall's Bendix-Marietta-Allied merger war. The villains here are William Agee, the former Bendix chairman, and his wife, Mary Cunningham—two people who seemed determined to embody corporate America's worst aspects. Agee once actually ordered the Bendix financial staff to prove through a cost-benefit analysis that it was cheaper to take a helicopter to the airport than to drive. Another telling anecdote: When Agee's sister was out of work and ill and had fallen behind on her mortgage payments, she made the mistake of asking her millionaire brother for a loan. Agee put Cunningham on the phone, and she advised her, "Go to the local press and plant a story about how the bank is taking advantage of a young woman with an illness." Cute couple.

—Timothy Noah

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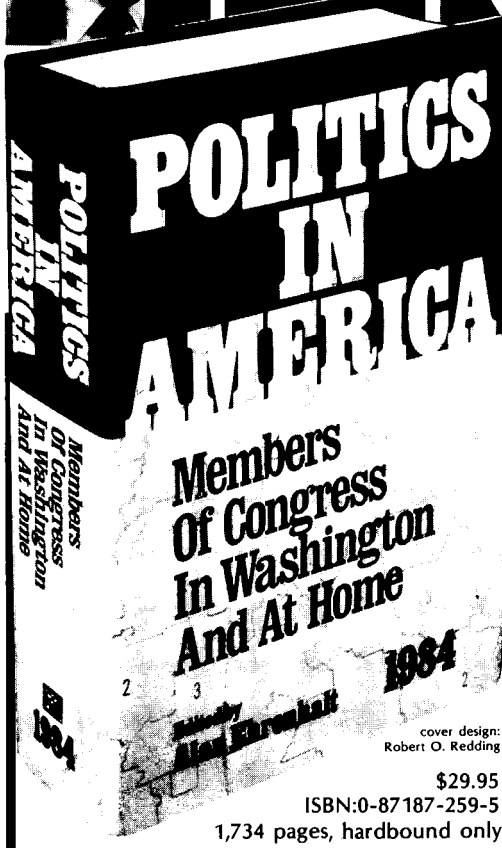

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(continued from "Tilting at Windmills," page 9)
loan of $150,000 and a housing allowance. He also receives a salary of $150,000 a year. This helps explain why Timothy Noah's prediction of next year's tuition cost (see the July/August issue) is already proving too low. A recent report from Associated Press now estimates the rise as up to three times the inflation rate for everything else. . . .

Did you read about the principal of the Florida private school who gave his sixth-graders the state's math and reading competency test for teachers? They all passed. The lowest score was 70, the highest, 100. . . .

What's the latest special-interest group to express outrage over the possible loss of federal benefits? Our moral leaders, the clergy, who somehow over the years got the right to deduct their mortgage-interest payments at the same time they were getting tax-exempt housing allowances. To the extent the tax-exempt housing allowance is used to pay the interest for which the clergyman is getting a deduction, he is clearly double-dipping at the IRS. The IRS, however, has displayed its usual ability to inspire indignation by trying to close this loophole for the clergy while leaving it in place for the military. . . .

In spite of silliness like this, I find a lot of reason for optimism these days: the dramatic rise in the public's awareness of the need for merit pay and other related reforms to get and keep the good teachers and to get rid of the bad ones; the equally dramatic increase in corporate managers' awareness of the dangers of the focus on short-term profit that got American industry into so much trouble in the seventies; and the not-so-dramatic but still pronounced tendency of American managers and workers to realize that they shouldn't get more pay without more productivity.

My worst fear is that as some economic recovery occurs, the old mindless greed will reassert itself. As profits grow, what should happen is that, instead of rushing to raise wages, salaries, and dividends, industry should emphasize keeping its prices at competitive levels with our Asian and European friends and on making sure our plants are modern enough to produce the best products. . . .

If you have begun to doubt that anyone cares about doing his job well, your heart will be warmed by Anna Quindlen's story about "the Flash" in *The New York Times*:

"No one at work calls him by his proper name. Once his family was looking for him. 'Jim Staveley,' they said on the phone, but nobody in the stuffy little stationmaster's office at Penn Station knew whom they were talking about. 'He fixes the trains,' a family member explained. 'Oh, you mean the Flash,' said one of the stationmasters.

"Flash was found, underneath a train somewhere. Everybody at work knows him, but everybody knows him as Flash. Conductors who speak highly of him, engineers who put their equipment in his hands, have no idea of his last name, or even his real first one.

"He got the name Flash when he was an electrician on the Long Island Rail Road, but it fits just fine now that he is something called an equipment supervisor. That's a stiff, formal kind of name for what Flash really does, which is to make the railroad run. When a train pulls into Penn Station with a problem, Flash has some time to see how bad the damage is and fix it.

"At rush hour, some time is generally around five minutes. By five o'clock on any given evening, Flash is as warm and wet as a summer thunderstorm. 'If I hold one train up, even a couple minutes, I'm holding a lot of other trains up,' he says. The answer, says Flash, is not to hold anything up.

"At a time when union and management, particularly on railroads, seem to have serious signal problems, and when commuters seem to think no one does anything right, the Flash is an odd anachronism, a management man, once a union electrician, beloved on both sides of the fence and devoted to his work.

" 'I try to take Saturdays off,' he says. 'However, if I receive a call of a particular incident requiring equipment, I'll come in, of course.' ". . .

—*Charles Peters*

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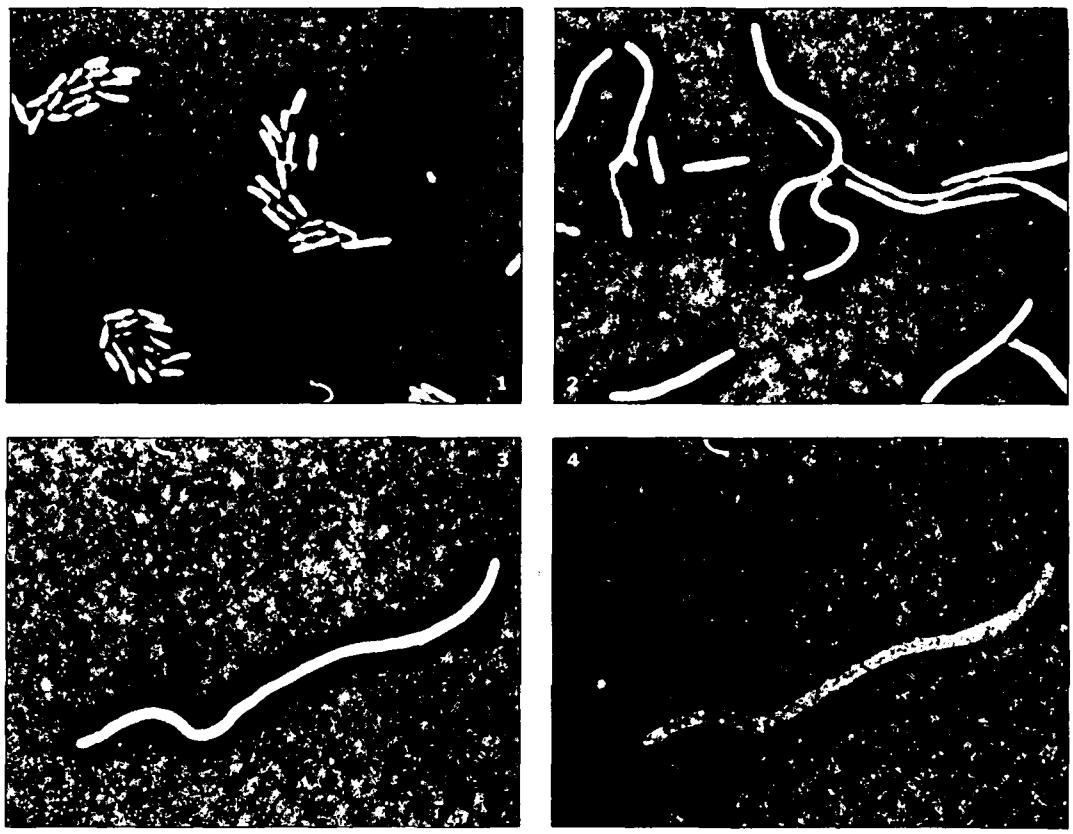

Bacteria in lab dish (1) elongate after addition of piperacillin, a new antibiotic (2); the cell wall of the microorganism weakens (3), then ruptures and dies (4).

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